

Bulletin of the Association of American Colleges

VOLUME XIX

NOVEMBER, 1933

NUMBER 3

Edited by

ROBERT L. KELLY

Executive Secretary of the Association

MARTHA T. BOARDMAN

Editorial Assistant

ARCHIE M. PALMER

Contributing Editor

Published by the

Association of American Colleges

Lime and Green Sts., Lancaster, Pa.

Editorial Offices

111 Fifth Avenue, New York, N. Y.

March, May, November, December

Annual Subscription, \$3.00

Entered as second class matter, March 15, 1926, at the post office at
Lancaster, Pa., under the Act of March 3, 1879.

Acceptance for mailing at special rate of postage provided for in Section
1103, Act of October 3, 1917, authorized May 13, 1922.

OFFICERS OF THE ASSOCIATION FOR 1933-34

PRESIDENT: Edmund D. Soper, President of Ohio Wesleyan University
VICE-PRESIDENT: T. W. Nadal, President of Drury College
EXECUTIVE SECRETARY: Robert L. Kelly, New York City
ASSOCIATE SECRETARY: Archie M. Palmer, New York City
TREASURER: LeRoy E. Kimball, Comptroller of New York University
CUSTODIAN OF FUNDS: Bank of New York and Trust Company, New York

ADDITIONAL MEMBERS OF THE EXECUTIVE COMMITTEE: David A. Robertson, President of Goucher College, James L. McConaughy, President of Wesleyan University, Thomas E. Jones, President of Fisk University, F. W. Boatwright, President of University of Richmond.

STANDING COMMITTEES AND COMMISSIONS

COMMISSION ON ATHLETICS: President Thomas S. Gates, University of Pennsylvania, *Chairman*, President Daniel L. Marsh, Boston University, President W. M. Lewis, Lafayette College, President John S. Nollen, Grinnell College, President J. M. Newcomb, University of Virginia.

COMMISSION ON COLLEGE ARCHITECTURE AND COLLEGE INSTRUCTION IN FINE ARTS: President Frederick C. Ferry, Hamilton College, *Chairman*, President F. P. Keppel, The Carnegie Corporation, President John Erskine, Juilliard School of Music, Mr. J. Fredrick Larson, Dartmouth College, President Meta Glass, Sweet Briar College, Sister Antonia, College of St. Catherine.

COMMISSION ON THE COST OF COLLEGE EDUCATION: Auditor T. L. Hungate, Teachers College, Columbia University, *Chairman*, President Donald J. Cowling, Carleton College, Controller G. C. Wintringer, Princeton University, Controller Lloyd Morey, University of Illinois, Auditor N. C. Plimpton, The University of Chicago, Secretary Alex. H. Sands, Jr., The Duke Endowment, Auditor A. H. Burnett, General Board of Christian Education, Presbyterian Church, U. S. A.

COMMISSION ON EDUCATIONAL SURVEYS: President David A. Robertson, Goucher College, *Chairman*, President George F. Zook, University of Akron, Executive Secretary M. C. Huntley, Southern Association of Colleges and Secondary Schools, Professor Floyd W. Reeves, The University of Chicago.

COMMISSION ON ENLISTMENT AND TRAINING OF COLLEGE TEACHERS: President Albert Britt, Knox College, *Chairman*, President J. R. Angell, Yale University, President Lucia R. Briggs, Milwaukee-Downer College, President H. P. Rainey, Bucknell University, President W. L. Boe, St. Olaf's College, Sister M. Ethelbert, College of Notre Dame of Maryland.

COMMISSION ON FACULTY AND STUDENT SCHOLARSHIP: President Henry M. Wriston, Lawrence College, *Chairman*, Dean C. S. Boucher, The University of Chicago, Dean Julian Park, University of Buffalo, President C. D. Gray, Bates College, President Katharine Blunt, Connecticut College, Professor Edward S. Jones, University of Buffalo.

COMMISSION ON PERMANENT AND TRUST FUNDS: Treasurer F. L. Jackson, Davidson College, *Chairman*, Dr. A. W. Anthony, Trustee, Bates College, President Rees E. Tulloss, Wittenberg College, Ass't-Treasurer Raymond L. Thompson, University of Rochester, Assistant to President, W. F. Bohn, Oberlin College.

COMMITTEE SPONSORING COLLEGE MUSIC STUDY: President E. H. Wilkins, Oberlin College, *Chairman*, Dean H. L. Butler, Syracuse University, Professor G. S. Dickinson, Vassar College, Dr. John Erskine, Juilliard School of Music, Director Howard Hanson, Eastman School of Music, The University of Rochester, Professor Walter E. Hartley, Occidental College, Dean Ernest Hutcheson, Juilliard Graduate School, Dr. W. S. Learned, The Carnegie Foundation for the Advancement of Teaching, Professor Douglas Moore, Columbia University, Dean James B. Munn, New York University, President Garfield B. Oxnham, DePauw University, Mr. Myron C. Taylor, United States Steel Corporation, Secretary Burnet C. Tuthill, National Association of Schools of Music, Professor Paul J. Weaver, Cornell University, Professor Karl Young, Yale University, President F. C. Ferry, Hamilton College, *ex officio*, Robert L. Kelly, *ex officio*, and Archie M. Palmer, *ex officio*.

COMMITTEE ON FORM OF CLASSIFICATION OF INSTITUTIONS OF HIGHER EDUCATION: President Raymond Walters, University of Cincinnati, *Chairman*, Chancellor S. P. Capen, University of Buffalo, Dr. Frederick J. Kelly, United States Office of Education.

REPRESENTATIVES ON AMERICAN COUNCIL ON EDUCATION: President J. Edgar Park, Wheaton College (Mass.) (one year), Chancellor Samuel P. Capen, University of Buffalo (two years), President B. F. Finney, University of the South (three years).

REPRESENTATIVES ON JOINT COMMITTEE FOR CONFERENCE WITH REPRESENTATIVES OF THE COUNCIL OF CHURCH BOARDS OF EDUCATION: President Edmund D. Soper, Ohio Wesleyan University, President Thomas W. Nadal, Drury College, Comptroller LeRoy E. Kimball, New York University.

REPRESENTATIVES ON NATIONAL COMMITTEE ON STANDARD REPORTS FOR INSTITUTIONS OF HIGHER EDUCATION: President E. E. Rall, North Central College, Ass't Secretary J. C. Christensen, University of Michigan, Controller G. C. Wintringer, Princeton University, Professor E. S. Evenden, Teachers College, Columbia University, Dr. George F. Zook, U. S. Office of Education, Controller H. C. Gregg, Iowa State College, President Donald J. Cowling, Carleton College, Professor Floyd Reeves, The University of Chicago.

REPRESENTATIVE ON NATIONAL RESEARCH COUNCIL: Professor Arthur H. Compton, The University of Chicago, 1933-34.

COMMITTEE ON PUBLICATIONS: The President, *ex officio*, the Executive Secretary, *ex officio*, the Treasurer, *ex officio*.

TABLE OF CONTENTS

	EDITORIALS	PAGE
<i>Editorial Notes</i>		277
The Southwest Conference		281
FINANCING COLLEGES		
The Colleges and National Recovery, <i>Robert Lincoln Kelly</i>		284
Some Successful Methods of College Financing, <i>Robert Lincoln Kelly</i>		294
Are Trust Companies Trustworthy? <i>Alfred Williams Anthony</i>		310
The Trust Agreement—How to Use It, <i>Alfred Williams Anthony</i>		316
A Special Report by the Commission on Permanent and Trust Funds, <i>F. L. Jackson</i>		320
Record of Alumni Funds for 1931		324
The Charles William Eliot Centennial—Some Things He Said on Educa- tional Finance, <i>Luther E. Warren</i>		326
LIBRARIES		
The College Library Advisory Board of the American Library Associa- tion, <i>Donald B. Gilchrist</i>		330
College Students' Reading, <i>Pierce Butler</i>		337
CITIZENS' COUNCILS		
Citizens' Councils		346
THE NEXT CENTURY		
The Next Century of Higher Education in the South, <i>Harvey W. Cox</i>		348
The Educational Value of Examinations, <i>A. Lawrence Lowell</i>		351

EDITORIAL NOTES

THE program of the Annual Meeting at St. Louis on the 18th and 19th of January is being built up around the general theme "The Search for Values." The meeting is to culminate on the morning of the 19th in a presentation of the efforts of the national regional standardizing agencies to adjust their programs to new educational methods. The Association program will appear in the December issue.

The Federal Emergency Administration of Public Works has just approved the application of Temple University, Philadelphia, for a loan of \$550,000 with which to build a new library. This seems to be a test case. Temple University would ordinarily be classified as an independent institution, although it does secure some state aid. In any event it seems to indicate that the government is willing to go a little farther in making loans than it has been doing in the past. The Temple University loan is to be paid back over a period of twenty years, but more than half of the same has been given to Temple out of an estate which is now in the process of liquidation.

The professional author in the production of the forthcoming report on the Teaching of the Fine Arts in American Colleges is Professor Grace Holton of the New Jersey College for Women. Miss Holton has been indefatigable in her expenditure of time and energy in organizing, evaluating and interpreting the large mass of data contributed by the colleges for this report. The results of the investigation are to be presented in the December issue of the BULLETIN of the Association.

Dr. Edward S. Jones' *Comprehensive Examinations in American Colleges* issued by the Macmillan Company (1933) under the auspices of the Association of American Colleges, is to be followed in the December issue (1933) of the BULLETIN of the Association by specific and extended analyses made by him with the assistance of a large number of experienced college teachers, of approved methods of conducting comprehensive examinations in American colleges within the field of the social sciences. The

book itself sets forth "general maxima principles or ideals," while the sequel exhibits methods by which these ideals have in some measure at least been realized.

Dr. Alfred Williams Anthony, in response to an invitation from the editor, gives a straightforward and discriminating, even if in part a somewhat hypothetical answer to the question "Are Trust Companies Trustworthy?" This is a question of vital interest to college executives and administrators.

It may not be known to all readers of the BULLETIN that Randall Thompson, Director of our Music Study, is not only a musical scholar, performer and director of unusual attainments, but is also a composer of the first order. Symphony Number 2 of his composition was recently rendered in Carnegie Hall, New York, to a capacity house, by the Philharmonic-Symphony Society of New York under the direction of Bruno Walter. Dr. Thompson's first symphony was performed at an American Composers' Concert, Rochester, in 1931. His productions include choral and chamber music, incidental music for stage works, songs and the remarkable opus entitled *Americana*, a sequence of five choruses for mixed voices, with piano accompaniment. Dr. Thompson is thirty-four years old.

The excellent literary quality of the Association's recent book, *Architectural Planning of the American College*, is due in very large measure to the artistic work, entirely gratuitously performed, of Mrs. Elizabeth Cheatham Palmer, to whom the keen appreciation of the Executive Committee and of the Association is hereby expressed.

During the entire summer, President C. H. Marvin of George Washington University remained at his post at Washington City and served the interests of the colleges and of American education in general as Chairman of the Joint Committee of Four of the American Council on Education in collaboration with the National Recovery Administration. The other members of the Commission represented specifically the Association of American Colleges, the National Catholic Welfare Conference and the National Education Association.

The National Child Labor Committee has designated the week-end of January 27-29 as the period for the observance of Child Labor Day. Undoubtedly the NRA is making a distinct contribution to the lessening of child labor but it is well known that after the recovery program there may be a return to child labor when the codes expire in 1935.

Announcement is made that the Carnegie Corporation has appropriated \$120,000 to Colgate University to assist that institution in developing its new plan which includes a thorough-going system of survey courses and numerous other vital features.

There are now eighteen states which have cooperative testing programs. They are: Alabama, Colorado, Georgia, Indiana, Iowa, Kansas, Maine, Michigan, Minnesota, Montana, New Hampshire, New York, North Carolina, North Dakota, Ohio, Pennsylvania, Texas and Wisconsin. This is one more very significant step in the onward movement toward more reliable tests of the work of our educational institutions.

The National Education Association, Washington, D. C., now offers a one-volume textbook edition of the report of President Hoover's Research Committee on recent social trends, for a net price of \$4.25, provided cash accompanies the order.

Quite a number of colleges are excluded from the group of fifty referred to elsewhere in "Successful Financing" only because of technical considerations. These colleges are, as a matter of fact, in excellent financial condition. They may be represented by one typical case: "Our University has no deficit and no indebtedness. On March 1, 1932, as a matter of precaution, the institution reduced all salaries in the College of Letters and Science by ten per cent. . . . Considering the times our institution is in excellent condition and a fine spirit pervades. We have had and still have cooperation in every department."

The Effective College is now out of print. All advertisements of it are being withdrawn. The demand for it has continued steadily since it was first issued in 1928 and the sales have brought to the Association a profit of about two thousand dollars.

There appears in this issue a significant report conducted in the office of the Association under the auspices of the Commission on Permanent and Trust Funds, on the distribution of college alumni in American cities of 100,000 population and over. Similar data is being secured for cities of less than this population. In the late spring a conference was held in Philadelphia, of representatives of various important colleges to consider how contacts may be made between the colleges and trust companies, insurance companies and the legal profession. After an informal conference at which each of the three types of business organization was represented by distinguished officers, a committee was appointed to give the matter further consideration. It is hoped that this committee will have recommendations to make by the time of the Annual Meeting in St. Louis. The members of the committee are: F. L. Jackson, Chairman, Gilbert T. Stephenson, John A. Stevenson, John G. Jackson, President D. J. Cowling, President Meta Glass, President Weir C. Ketler, President W. M. Lewis and Mr. C. J. Miel.

F. A. Magoun in the *Technology Review* for November, 1933, declares: "Like leadership, of which it is a part, skill in handling human beings is itself compounded from many traits such as courage, imagination, emotional stability, and a sense of justice.

"The postulate that knowledge, as indicated by superior scholastic achievement, is not an important requirement of any save intellectual leadership, has often been advanced without serious consideration. But no opinion is worth more than the facts that back it up. A recent study of 1,000 Massachusetts Institute of Technology graduates made by A. Anable, as published in *Chemical and Metallurgical Engineering* for February, 1933, showed that the men who earned the highest salaries were executives who had been well above the average in college grades and especially good in their thesis work."

President Roosevelt: "The people of the United States still recognize, and I believe recognize with firmer faith than ever before, that spiritual values count in the long run more than material values."

THE SOUTHWEST CONFERENCE

PRESIDENT EDMUND D. SOPER represented the Association of American Colleges at the Southwest Regional Conference of the Association of American Colleges and the Council of Church Boards of Education held at Dallas on October 13th and 14th. Dr. William F. Quillian represented the Council of Church Boards of Education. Dr. R. L. Kelly represented both the Association of American Colleges and the Council of Church Boards of Education. The leading subjects considered at this conference were: Christian education, the colleges and national recovery, successful methods of financing the colleges, the new challenge of the North Central Association in the search for values, the theory and practice of the junior colleges, developing methods in curriculum construction, the place of extra-curriculum "activities," the AAUP report on college teaching and the Greater University of Oklahoma Plan.

Thirty-five institutions were represented by from one to sixteen delegates each from institutions in the states of Texas, Oklahoma, Louisiana and Arkansas. The following is the report of the Findings Committee:

This is a meeting for consultation and inspiration and not for organization or legislation. Out of the discussions have come some expressions of importance which we believe should be passed on to our colleagues and to the public at large.

We are fortunate in the contribution of the presence and the address of President Edmund D. Soper, of Ohio Wesleyan University, President of the Association of American Colleges, Dr. William F. Quillian, General Secretary of the Board of Education of the Methodist Episcopal Church, South, and of Dr. Robert L. Kelly, long time Executive Secretary of both the Association of American Colleges and the Council of Church Boards of Education. Because of Dr. Kelly's intimate contacts with the college world and with the Federal Government in its Reconstruction program, his information and suggestions have proven of especial value.

We believe we voice the sentiment of the large majority of the college men and women of the Southwest in expressing these convictions:

1. That all friends of higher education should petition their Congressmen and Senators to provide a legal means

by which the Federal funds for Recovery can be loaned to non-profit educational institutions other than state institutions. At present, such aid can be extended only to state or public schools.

2. That the many unemployed young men now assembled or to be assembled in reforestation camps and similar places be provided with opportunity for schooling either

- a. By classes during their leisure hours in the camps, or better
- b. By taking them out of such camps entirely and putting them in schools already operating.

Such a plan would cost no more to maintain these individuals than at present; would provide training during the critical period when they must get training if ever; would take them out of competition with other unemployed and would also give employment to many teachers who, just as truly as others, belong to the ranks of the unemployed.

3. That the Reconstruction Administration should allocate some of its funds for scholarships and loan funds to keep students in high school and college. Sums of from Fifty to Two Hundred Dollars in thousands of cases would provide the difference which would make continuance in school possible, would bring out into action the balance needed for the college year and would take these students out of competition with the unemployed.

The public is respectfully reminded that through this period of depression when multitudes of business and industrial concerns have cut operation to a low ebb or have quit entirely, the colleges of America have not quit and indeed the amount of service they render to students has not been diminished appreciably. This has been done largely by the sacrifice of teachers. The education of youth cannot wait. For each individual boy or girl it must be "now or never." And everyone waiting for a chance at college becomes at once one more in the army of the unemployed.

We, therefore, call upon every agent of influence, whether it be the press, the pulpit, commercial organizations, civic clubs or political leaders, to aid in bringing the facts to public attention and in influencing public opinion in favor of the moves described above. And this we plead not as an aid to the colleges but as a sound policy of the Reconstruction program.

We further find that the Fine Arts are due a larger place in the curriculum of colleges; that the local administrators should initiate studies and experiments to eliminate the conditions which have hitherto made such recognition impracticable and to learn to build the Fine Arts into the general

curriculum and to remove those hindrances which have impeded such developments in the past.

We recognize the need for a recasting of standards into terms of more general character and ideals for attainment rather than minima in details. We look forward with interest and expectation to the report of the research committee of the North Central Association to point the way to a well wrought out revision.

Sir Alfred Ewing, President of the British Association for the Advancement of Science, in an address to the Association says the engineers have dowered us with "previously unpossessed and unimagined capacities and powers. Beyond question many of these gifts are benefits to man, making life fuller, wider, healthier, richer in comforts and interests and in such happiness as material things can promote.

"But we are acutely aware that the engineer's gifts have been and may be grievously abused. In some there is potential tragedy as well as present burden.

"Man was ethically unprepared for so great a bounty. In the slow evolution of morals he is still unfit for the tremendous responsibility it entails. The command of nature has been put into his hands before he knows how to command himself."—*The Literary Digest*.

The United States has about three to four times as great a proportion of its men and about nine to sixteen times as great a proportion of its women in institutions of higher education as other leading countries of the world. In France, for the ages of 20 to 24 inclusive, there are 3% men in attendance and .6% women; in Germany there are 3.2% men and .5% women; in Great Britain there are 2.3% men and .9% women; the figures for the United States are 10.4% men and 8.1% women (whites). If these figures included the age of 19 years, the comparison would probably be heightened.—*Richard H. Frazier, in Technology Review*.

THE COLLEGES AND NATIONAL RECOVERY

ROBERT LINCOLN KELLY

THE colleges themselves have not recovered. Most of them are dazed by a series of unexpected blows. But they are on their feet and are striving to save themselves and to render service to the community.

The administration at Washington has wisely recognized their inherent need to exercise a large degree of freedom if they are to be maintained as formative centers of American life and are not to be transformed into agencies of regimentation. The fact that the colleges may keep clear of the NRA structure is a great gain. It enables them all the more effectively to render service to the government and to the nation. While the authorities of the NRA have used due deliberation in negotiations with the joint committee, composed of one representative each of the Association of American Colleges, the American Council on Education, the National Catholic Welfare Conference, and the National Educational Association, they have always displayed a keen desire to understand the peculiar problems of education and to subject education to as few inconveniences as the nature of the emergency and the formulation of the law permit. On the other hand, through their representatives on this committee the colleges have offered their services to the general welfare just as they did almost two decades ago when the World War was threatening to engulf the nation. It is conceivable that the moral as well as physical contribution to national safety made by the colleges then may be more than duplicated now, for inherently they find themselves better prepared to contribute to the ways of peace than to the ways of war. They have more faith in the persuasive power of ideas than in the coercive power of force.

The colleges recognize that their first duty is to stick faithfully to their job. Under multiplying handicaps they are consciously trying to hold steady and at least to keep their operation on the same scale as that of last year. They realize that they are in reality public institutions, supported by the public, either through taxation or through voluntary contributions and they

are making every effort to render the largest service to the public. For the most part their income from all types of sources has been seriously diminished, their teachers usually are working at reduced salaries or in extreme cases with no guarantee of salaries whatsoever. A large institution has an increase this fall of two thousand students with a budget less than that of last year.

Of the 231 institutions reporting, 185 have been obliged to reduce salaries. In 44 the salaries remain the same, and in two they have actually been increased since 1929. Reductions of 30, 40, and even 50 per cent are not unusual, but fortunately not common, and cuts of 60 per cent or more are rare. Most of the reductions reported range between 10 and 25 per cent, and an encouragingly large number are even less. Some colleges made a flat percentage cut on all salaries. Others have adopted a sliding scale for the various salary grades, exempting in some instances those below a certain minimum. There are colleges that have weathered the depression without making cuts until the current year, and others that reduced salaries last year expect to find no further retrenchments of this kind necessary. One college has adopted a pro rata plan for the payment of salaries in order to avoid a deficit. Another is guaranteeing no salaries but will pay what it can on the basis of the 1932-33 schedule. In a number of institutions where there have been no "official" cuts the staff members have voluntarily been contributing a percentage of their salaries to the college or to special funds for students requiring financial assistance.

And yet, the colleges are centers of optimism, good cheer, and good will. In the emergency, as at all other times, they accept their function as builders of morale. They are now sympathetic though not blind interpreters of the plans of the administration.

The surprising interest of our young people in continuing their education is a phenomenon of the times. Many of them have seen their own plans, as well as those of their parents, shattered by the wreckage of banks and losses in family income and yet they have not given up the hope for an education. While unfortunately some of them are being misled into entering types of educational preparation for the use of which apparently there is no future, a great majority of them have sane views as to ulti-

mate human values even in a world which shows unmistakable signs of moral collapse.

The students whom the colleges are admitting are drawn out of the potential ranks of labor or out of the army of the unemployed except as the colleges themselves furnish employment to them on part time. This they are straining every nerve to do. They are drawing on their scholarship and loan funds as never before and frequently faculties, often on reduced salaries, are contributing voluntarily to the partial support of students.

Practically every college is in one way or another adjusting the cost of a college education to the student's pocketbook. Of 214 institutions reporting, 114 have reduced tuition or living expenses or both. The majority, however, are maintaining their tuition fees, which have never met the cost of instruction, and are reducing to the minimum the price of board and room. Whether these new rates can be maintained in the face of rising prices without loss to the college may prove to be a serious question before the year is over. Seventy-five colleges reported no change in tuition or living expenses, and twenty-five have increased one or both of these items. Several colleges report the best collections of fees in their history. Most of them, however, make generous concessions in individual cases. One administrator wrote that over fifty per cent of the new students were receiving some special concession. Wherever possible, institutions have increased the number of campus jobs and are assisting in the placement of students who must work their way. And to further ease financial difficulties, many colleges have adopted such devices as the payment of bills on the installment plan and the extension of deferred obligation privileges to students.

There was scarcely an institution reporting that did not admit the loss of some students, old or prospective, due to financial reasons. Such losses are apparently heaviest in the Middle West—in Iowa, Kansas, Missouri, Nebraska, and Ohio, particularly—and in the Southern States. The New York and Pennsylvania colleges on the other hand do not indicate a similar situation, but the high tuition fees and living expenses prevalent in many of them doubtless discouraged many students from seeking admission.

Colleges are furnishing specialists from their faculties on shorter or longer terms of service to assist in planning and prosecuting relief programs; for example, certain institutions are being designated as representatives of the government through their extension service, in developing the program of the Agricultural Adjustment Administration.

At one large municipal college two emergency colleges are being maintained under the supervision of the president, the salaries of the members of the staffs being paid from state relief funds. These emergency colleges absorb a very considerable number of students who would otherwise probably be unemployed.

Strangely enough quite a number of new colleges are being organized throughout the country to make easier the absorption of new students into educational programs. Some of these are detached colleges but others are affiliated with state school systems. Undoubtedly also the emergency is greatly stimulating the junior college.

A number of colleges signed the blanket code of the NRA and have been applying it insofar as their wage earners are concerned, even though no code has been made obligatory. Not only are these colleges carrying out the requirements as far as minimum wages and hours are concerned, but many are guided by the NRA pledges in making contracts for various purchases, etc. It should be said that in the case of most colleges their minimum wages were already exceeding those of the NRA, while usually they were not going beyond NRA hours of service.

There have been multitudes of predictions, not only during the period of the depression but ever since the days when William Rainey Harper became president of the University of Chicago, that many of the smaller colleges—one fourth of them is a favorite estimate—would be driven to the wall and would be forced to expire. On the contrary, they have been increasing in number right along. The cock-sure prophets "failed utterly to take into consideration the loyalties of the faculties and their capacity for sacrifice for the institutions they love." Now these academic centers because of their number—there are nine hundred of them of all sizes and conditions, and fourteen hundred if the Junior Colleges are included—and because of their wide

distribution, are from the NRA standpoint so many centers of employment. The number of colleges that have been driven to the wall by the depression can be counted on the fingers of two hands, if not of one.

There is a strong feeling among a few executives that the cause of college education and the welfare of the American people will in the long run be more effectively promoted by maintaining at least the present level of professorial salaries, even if that involves a reduction in the number of teachers. This may run counter to one of the chief purposes of the NRA. However, America needs better college teachers rather than more college teachers, as certainly as she needs better lawyers and physicians rather than more of them. The salaries of college teachers are still pitifully small. They have been very much increased, especially within the last dozen years, and it would certainly be a tragedy of the first order if what has been gained by small accretions during these years should be lost, probably for many years to come, by a stroke of the pen. Besides, there are now operating in some of our colleges, certain profound educational reforms which involve for their success a relative reduction in the number of teachers, since they emphasize more and more initiative and independence on the part of the students themselves in securing their education. For these reasons certain colleges of great prestige have banded themselves together to maintain present professorial salaries. Educational statesmen of the first order are not willing deliberately to turn the academic clock back. They are profoundly convinced not only that scholarship must be maintained, but that there must be opportunity for experimentation under highly equipped leaders. It is the primary business of the college to preserve human values and to take the best steps available for developing them. The large group of colleges within the North Central Association of Colleges and Secondary Schools are vigorously attempting to discover general optimum principles of administration and teaching which may be substituted for the present objective minimum standards which in the processes of educational evolution, they recognize, have become outmoded.

At the same time the general practice of college executives, as indicated by replies from 218, has been to retain as far as pos-

sible the full staff of officers and faculty. They have preferred to reduce salaries rather than to dismiss teachers. In some instances the faculty members themselves voted to accept drastic cuts rather than have some of their number released. One hundred and twenty-six report smaller staffs than in 1929. But reduction in some cases consisted solely in the failure to fill vacancies created by the usual turnover. In others, with but few exceptions, the number actually released has been small. In sixty-five colleges there has been no change or practically no change in the number of officers and teachers, while twenty-seven have expanded their staffs since 1929.

The reports with respect to enrolment for the current year are in many quarters most encouraging. Unfortunately at the time of the inquiry registration was incomplete in many colleges—in some instances had not even started—and the statements made on the basis of these replies must not be construed as in any sense final. Of the 170 that provided information on enrolment or prospects of enrolment as compared with last year, 56 reported an increase. An institution in the South reported that the college had more applications than it could handle and now has the largest attendance in its history. A woman's college in Pennsylvania expects an enrolment equal to or slightly in excess of the largest it has known. A college in Wisconsin reports attendance as the best in years. One in the Northwest has an increase of 25 per cent over last year and a 22 per cent increase is reported by a North Dakota institution. This condition appears to be more pronounced in some areas than others. Among the Eastern colleges, for example, there is a smaller proportion showing increased attendance.

On the other hand, 77 of the 170 reported a smaller registration than in 1932-33. In most cases the decrease is relatively small, usually 10 per cent, seldom more than 15 per cent. There are, however, a number of colleges in which the situation is serious. A woman's college in the southwest reported 250 cancellations. An institution in the Middle West wrote that its enrolment is one third of what it was in 1929, and a Kansas college reported that its attendance is 25 per cent below normal. When compared by sections the eastern colleges seem to be suffering more generally in this respect than those in other areas.

Sixty per cent of these institutions have or expect to have a smaller enrolment than last year. This is true of nearly half of the western and over a third of Southern colleges reporting.

Of the 170, 38 have prospects of enrolling approximately the same number of students as last year.

Unfortunately, one cannot give all the colleges a clean bill of health in the matter of fair competition which the NRA aspires to foster. A few of them, a very few, let us hope, for of course the returns are not all in, have been guilty of unsportsmanlike and unprofessional practices, especially in the matter of undercutting the rates of tuition which, as is well known, are usually far below the cost of college education. A college president in the Middle West recently wrote very indignantly, "In our state the situation in respect to a possible code of ethics during the past summer has been disgusting. In life insurance the practices which have been carried on would be called 'twisting business' and would bring about the cancellation of a license to do business by the State Department of Insurance. As a result, the prospective student regards himself as of peculiar value for which he should be offered a prize, and then the bidding goes merrily on. Apart from the fact that all idealism is taken away from the educational effort, such sharp competition which might well be called 'buying students' must sooner or later react disastrously upon the college which pays too much money or equivalent to keep up its student enrolment." This cutting and slashing in tuition rates, this putting of college opportunities on the bargain counter in an enterprise which at its best is non-profit-making, is deplored by those executives whose primary aim consistently is at all hazards to uphold the standards of the profession. For our part, we have no desire to be known as offering a cheap education.

In some of the states cooperative agreements have been entered into by the colleges for purposes of educational stabilization and advancement. In Minnesota the state university joined with the independent and church-related colleges in declaring that the government should not discriminate against any type of worthy institution; in Indiana the independent colleges fought successfully in the legislature to prevent the inclusion of their campus properties within the area of state taxation; in Illinois the col-

leges have been addressing themselves to inequalities in tuition rates; in North Carolina they have been entering into cooperative agreements in their extension work, in the purchase of supplies and in business management in general; in Nebraska they have formed cooperative agreements in the awarding of scholarships as they have also in Kansas; in the latter state they also have adopted plans of cooperative publicity; in the metropolitan district of New York there are informal agreements between several institutions including the American Telephone and Telegraph Company, to avoid duplication and waste in engineering education; in the Philadelphia and Pittsburgh areas there are cooperative efforts to prevent the duplication of courses and departments; while in Wisconsin college students are actually receiving stipends in part payment for their expenses from the Unemployment Relief Student Loan Fund, thanks to the wisdom and generosity of the State Industrial Commission. Among closely federated colleges may be mentioned the Claremont Colleges of California, the colleges of Atlanta University and those at Conway, Arkansas, and Millsaps, Mississippi. The most outstanding movement of all on a state-wide scale is the Plan for the Greater University of Oklahoma which when put into operation is to include all of the institutions of the state, with, among other worthy features, the practical elimination of competition.

The colleges are attempting to inculcate wholesome methods of employing leisure. They realize that with the freeing of workmen from many hours of employment, what is intended as a great boon may become a great peril. The colleges almost without exception disapprove of drinking, gambling, and worse vices usually associated with these habits which have in the past dominated the leisure time of many of our people. They know the deleterious influence of many commercialized recreations. They are attempting to develop among their students an appreciation of and participation in the production of good literature, music, the plastic arts, dramatics, all phases of physical education and outdoor life as well as the social relationships of cultured society. They also are striving to develop adequate leadership in these and other methods of enriching leisure time. Some colleges have included certain hobbies and recreations as specific parts of their total educational program. Many of them are well equipped in

field houses, gymnasias, swimming pools, outdoor fields, auditoriums, etc., some of which, under certain conditions, may be placed at the disposal of the public. The colleges would promote amateur not commercialized recreations and amusements.

While the NRA imposes no obligations upon the colleges, it offers no direct benefits except to those supported through taxes. The tax-supported institutions, with certain conditions, are offered grants, some in the form of loans especially for purposes of construction. Quite a number of institutions have taken advantage of this offer and sums aggregating many thousands have been turned over to the colleges. On the other hand, numerous institutions find themselves prevented either by law or by policy or both, from issuing bonds or deeding their property to the federal government. Furthermore, the independent and church-related colleges, though admittedly almost without exception public institutions in the sense that they serve the public without racial or denominational discrimination on a non-profit making basis, are left to shift for themselves.

Under normal conditions these colleges prefer this arrangement; they expect no aid from the state. They would decline to receive aid from the state under conditions which would subject them to the control of the state. They subscribe cheerfully to the principle of the separation of church and state. Even in the emergency, most of them prefer to work out their destiny the best they can without state aid. They know full well that loans ultimately must be paid. It should be said too, that most of the states have constitutional prohibitions of the appropriation of public money to "private" educational corporations—though just now, of course, "prohibitions" of all kinds are in the discard.

There is a very considerable number of colleges which see no valid reason for withholding loans to needy and well-equipped students who, because they have no funds, must remain unemployed or seek positions in competition with adults, or beg for admission to the colleges without assuming obligations to pay their tuition. College authorities believe that like the Civilian Conservation Corps, upon which the government properly bestows millions, the colleges are conservation camps of the highest order and should receive recognition as such not for the sake of

the college primarily but for the sake of the community and the state. Other college authorities feel very keenly that the government might well assist them in transferring short-term-high-interest obligations such as now cause great embarrassments into long-term ones at lower rates of interest.

Many colleges think therefore that there are still ahead possible developments in the relationships between them and the administration at Washington and they hope that some of these added opportunities to serve may be placed at their command.

The colleges have recently been engaged in clarifying their administrative and educational problems and discriminating between the essentials and non-essentials. They have been formulating definite objectives. Now they are very much averse to placing their backs to the wind and drifting with the current. They do not wish to forfeit their independence; they wish to maintain and even increase the quality of their performance; they desire to see things in the large and to preserve their sense of proportion; they claim within their own areas the right to experiment even if occasionally one of their staff justly earns the sobriquet, "Professor of Erroneous Ideas"; in fine, they are striving zealously to preserve a certain degree of self-respect and of sanity, even though their members are domiciled, with their brothers and sisters, in the midst of the world mad house.

Dr. David Stanley Smith, Dean of the School of Music at Yale University, Dr. Daniel Gregory Mason, head of the Music Department of Columbia University, and Dr. John Becker, head of the Music Department of St. Scholastica College, Duluth, Minnesota, led a composers' forum on contemporary American music at the New York New School for Social Research in November.

SOME SUCCESSFUL METHODS OF FINANCING COLLEGES

ROBERT LINCOLN KELLY

REPORTS coming to the Association office from various quarters during the past summer brought evidence that a considerable number of Association members had made a remarkable record in withstanding the depression. We were convinced that the experience of these colleges would prove helpful to others and that from their combined wisdom all might profitably draw. No claim is made to acquaintance with every institution that might make a worthy contribution, but we are happy to say that approximately eighty-five college officers, representing thirty-three states, generously responded to our invitation to share their experience with us. They do this in no selfish or boastful spirit. As one of them says: "I do not want any of my colleagues to think that we have had an easy time, or that the prospect is entirely rosy. We are watching the general economic conditions in the country with grave concern."

The more one looks into the matter, the more one is inclined to conclude that college administrators, using the term in a comprehensive sense, are among our best American financiers. About fifty of the institutions included in this symposium—ranging from the church-related college with but one building costing \$250,000 to the great university with its endowment and plant each valued in eight figures—report a balanced budget, salaries paid in full, and no current indebtedness, or a negligible one,¹ for the fiscal year 1932-33. While the names of these colleges are not made public, it may be said that 18 of them are located in New England, 22 in the Middle Atlantic States, 9 in the South, and one in the Middle West. This illustrates the fact that the task of administration is much more complicated in certain sections of the country than in others. A number of these colleges, but by no means all, report that they were obliged to forego the usual salary advances and reluctantly omit sabbatical leaves; a few of them have tentatively reduced salaries for 1933-34 as a safeguard against possible disaster, but this is a last resort to prevent indebtedness. Certain colleges not included in the fifty reduced salaries last year but found eventually that it had been an unnecessary precaution.

¹ One college reported a small overdraft in scholarship funds account.

Of course, in so far as appears, not a single one of the highly successful colleges has been guilty of doubtful methods of financing, or has taken what are known to be great risks. They have not drawn upon their endowment—borrowed from it, or given liens of any sort upon it for current operations, building projects, or for any other purpose. They have held their endowment funds sacred. They have not allowed their desire for expansion either in buildings, equipment, the purchase of land, or the building of a faculty, to go beyond their assured resources. They do not count annuity funds at their full value as endowment; indeed, they seldom count them at all. They do not include pledges or other prospects as though they were cash. In short, they pursue what is generally accepted as a sound, conservative policy in college financing.

These colleges have reported the following positive and constructive factors in their actual personal experience as a partial explanation of their success. It is, of course, obvious that not all the conditions noted are true of all colleges reporting. Some of the items in the composite statement below are found in almost every report. Others are mentioned only once or twice, *e.g.*, generous legacies, guaranteed pledges, etc. Items included by practically all correspondents are marked with an asterisk. Those mentioned once only are double-checked—though some cooperating presidents who have read the statement say they have used all methods enumerated in securing their end.

SUMMARY OF ADMINISTRATIVE REPORTS

*1. *Personnel:*

- (a) *Of Leaders.* The unusual ability of those charged with financial responsibility is frequently ranked as of first importance. Tribute is paid to the talent (financial acumen), training, devotion, industry of the President, the Treasurer, the Business Manager, members of the Finance Committee, the entire Board of Directors. One college reports the Chairman of its Finance Committee, another the college Treasurer as president of a strong financial institution in a neighboring city, who personally approved every investment.
- (b) *Of Faculty and Staff.* There is an amazing response to frankness and confidence. "Our faculty aided and abetted our policy of economy by suggesting reductions in departmental opera-

tions which might be made without impairing the academic efficiency." There is no want of unselfish devotion to a cause and financial sacrifice. "Credit for success in balancing the budget is due to the care exercised by the members of the Order connected with the college: . . . to the personal interest and contributed service of both those engaged in teaching and household administration. Members are trained under a vow of personal poverty. Besides the effect of this vow on keeping our individual expenses low, our religious training makes for the exercise of care in all matters that become our concern."

"In this process of economizing we have had the cordial cooperation of every one connected with the college. The departments of instruction have done everything in their power to eliminate waste and to keep their expenditures down to the lowest possible point. I feel confident that our faculty morale is unusually high at the present time because of their realization that the university has attempted to look after the teachers' interests in these trying times."

- (c) *Of Students and Alumni.* Where the whole community has been taken into confidence, there has been 100 per cent response in savings of light and heat, suggestions for publicity campaigns, generous contributions of time and effort to help the college realize its program. Loyalty and cooperation are universal.
- 2. *Diligence:* There has been hard, determined, unremitting work. No relaxation in presenting the cause or in seeking merited support. "We are not reticent about the high quality of the work done by the college."—"For six years we have persisted in our endeavor to secure larger endowment."—"Another factor that has helped was our preparation in 1929 for a normal increase of students; when the increase came we were not taken unawares."—"We began three years ago to get ready for the financial hurricane. This preparation was by way of a rather substantial surplus or contingent fund, as we call it, appearing in each budget for the years 1929-30 and 1930-31, etc. Then too, we worked up a campaign with our alumni so that an increasing amount of revenue at the disposal of the Trustees comes from that source each year."
- 3. *Reserves:* Many colleges have made it a definite policy to spend less than they received. "We have never

allowed our expansion of work to keep pace with our expansion of income. Our budget has purposely been kept below our expected income. In this way we have built up a certain reserve and have kept our financial statement year by year in a healthy condition." Some reserves have been achieved through profits on dormitories, commons, and other service features. Sometimes there is almost human pathos here—"We had built up a small surplus in former years by practice of strict economy. We intended this to form a nucleus of a fund for a new library, but it has had to go into the general pot."

- *4. *Investments*: Most of these colleges have had but a moderate drop in endowment income, some none at all. Capital funds are largely intact. This result is probably due partly to other factors, but U. S. bonds, other securities of the highest grade, and constant watchfulness and change, together with uncanny foresight of future conditions contributed to the successful record. There is no unanimity on what is a "prudent investment." One college has most of its funds invested in real estate and another says, "we still have faith in the good earth."² Another institution has its in-

² Life insurance companies hold farm mortgages, as an investment, to a value exceeding \$1,700,000,000. A thoroughly comprehensive report says, "A farmer who is worth his oats has no thought of repudiating his debts. The insurance men will continue to have faith in the American farmer." See "Life Insurance Rides the Storm" in *Review of Reviews*, April, 1933. One great insurance company tells us that in 1932 it collected 98½ per cent of all interest receivable on its bond investments.

With regard to the distribution of investments, one college writes, "As to the types and proportion of our investments, I think that less significance would attach to a statement of our present situation in this regard than does attach to a recent action by which we have set up the following plan as one toward which we shall work.

	Per cent	Per cent
Real estate mortgages		30-40
Bonds		45-55
Railroads	10	
Public utility	17-22	
Industrial and Miscellaneous	8-13	
Municipal and Government	10	
Preferred stocks		5
Public utility	3	
Industrial	2	
Common stocks		10
Public utility	5	
Industrial	5	

vestments almost entirely in bonds and has "never lost a dollar." Most institutions are utilizing the principle of diversity of types of investments. The general trends are from 0 per cent to 97 per cent in bonds, from 0 per cent to 30 per cent real estate, from 0 per cent to 90 per cent in real estate mortgages.

"Our Finance Committee gave much thought to the subject of investments. We were fortunate in not having our income from the last source seriously diminished."

"Our list of investments does not differ materially from similar lists published by other institutions. . . . We have suffered reduction in income from defaults as almost all other institutions have suffered. There is nothing magical or unusual regarding our experience in this particular."

5. *Economy:*

(a) *A Habit.* Many of the colleges of the group are accustomed to frugality. One writes: "Our trustees are firmly persuaded that they should not spend money which they do not have."—"We have resorted to no measures except the ordinary ones employed by us during the good times, or by the rank and file of economical people during times of stress."—"We have been careful to make no unnecessary expansion in our organization. When we endeavored to reduce our expenses there was not much that we could find that was not essential to our work. We have had a surplus each year since 1912. Salaries have been repeatedly increased. I have always had a personal touch and careful guidance to our financial operations. As you know, I am entering upon my twenty-fifth year here." "This college is proud of the fact that for twenty-three consecutive years it has carried on with a balanced budget and without any deficit in its operating expenses."—"While salaries are paid similar to other colleges of the same type, expenses have been for years consistently kept below income by limiting indulgence in buildings which might be too costly to operate, luxurious multiplication of maids, elevators, secretaries and hostesses. The college is fed from one kitchen, the students wait at the table and do much of the work in looking after their own rooms, the library is constructed so that the stack is used as study hall, resulting in minimum operating expenses. There is an early New England simplicity in administrative

offices. The college produces its own heat, light and power. Practically the whole faculty is housed in buildings owned by the college."—"Economy born of years of struggle has taught us the necessity of living within our means. Tuition is by far the largest element of our receipts and we have accordingly proportioned it to our needs."

- * (b) *Curtailment of Normal Expenditures.* "When our income began to shrink, we undertook to reduce our expenditures in every way possible without reducing salaries or without an actual loss in educational efficiency. We pared our expenses for operation whenever possible and stopped almost completely our purchases of new equipment and expansion of our facilities in every substantial form. It has always been my own policy not to buy anything unless I had the money to buy it with. I realize that it is much more fun to expand one's activities and to develop new and desirable things than to mark time, but it would seem to me wiser to mark time than to slip backwards."—"We reduced general expenses in the physical maintenance of the plant, without reducing wages."—"Incidental appropriations in many departments eliminated, but we have been careful not to interfere with the efficiency of the educational work and not to seriously curtail research in progress."—"Building maintenance and repair items have been reduced to cover imperative needs only."—"The Superintendent of Grounds and Buildings has not conducted any large new projects, but the campus is being kept in the very finest state of repair."—"In normal times, the contributed services of the Religious release funds that may be used for buildings or other improvements. This, of course, we have not been able to do during the past two years. A building program planned in 1929 had to be temporarily abandoned."

6. *Reorganization.* Several colleges report saving on overhead by centralized purchasing, central stenographic service, introduction of a better system of accounting. "A new system of management, cleaning and repairing our physical plant saved us in excess of \$50,000." A college that reported in the November, 1932, *BULLETIN* installation of a budget control enabling it to foresee difficulties ahead and "to reduce to practically nothing an

almost certain deficit of \$50,000 for 1932-33" now says, "It might be advisable to call attention to the fact that not only did we end the year with over a \$12,000 surplus, but we were able also to set aside approximately \$50,000 for various reserves."

7. *Supervision.* No system, however efficient, will be effective left to itself. Many colleges report that administrative officers, Treasurer and Finance Committee, as well as Comptroller and Business Manager, keep in close touch with the budget. One of these—a Comptroller—says, "First, I insist, is our continued pressure in the administration of the budget and in all the work that goes into it while in preparation, in the spring of the year. We have been improving this budget plan every year until we know with our monthly reports and our comparative figures just about exactly where we stand at any time of the year. . . . The budgeted amounts went much further in the purchase of supplies and the Purchasing Department was always on the watch for changes or signs of change in the markets of the country. When 1,500 people are being fed every day, the questions of prices have far-reaching results."—"With us the oversight of expenditures is continuous and quite in detail. The system here is to predict income, make it conservative and then plan a budget within it. Each month a careful statement is drawn up and checked. No expenditures over \$25.00 are permitted without the President's knowledge and approval. Budget is revised if income is seen to be falling below prediction."—"I explained our budget control method in the BULLETIN a year or two ago (November, 1932, p. 413), and the technique has not been changed to any great extent since that time. We simply keep our twelve deans informed concerning the income situation and they have all 'played ball.'"—"The credit is due largely to President X's cautious business administration. He has scrutinized carefully every item of expenditure and has required the various heads of departments to exercise always the strictest economy, though never to the extent of sacrificing educational requirements or the needs of the students."—"The up-keep of the plant has been judiciously cared for, repair and replacement being made so promptly as to preclude additional deterioration through delays. We have a very efficient purchasing official, a college woman who is a member of the faculty and of the administrative board, who knows the actual needs of the college in every department and who is well trained in business methods. All purchases are made through her."—"Our Treasurer, who acts

also as Purchasing Agent for the college, deserves every possible credit for our achievement. He buys wisely, and in quantity, and is alert to check up for every possible change, not only in expenses, but in the effective operation of the college."

8. *Gains.* "Every enterprise over which we had any control as a faculty or as administrative officers, has been conducted so as to yield some profit: extension courses, summer school, dining hall, bookstore; every house and garage on our property has been kept rented and collections have been successfully made."

"Our financial income for 1932-33 was \$144,200, of which \$51,000 represents accumulated earnings of the entire Order applied to assets. This is derived from the petty savings of the mission houses of our Order which numbers about 1500 Sisters engaged principally in teaching parochial and private schools. It is this income, carefully conserved, that principally enables us to administer the college."

9. *Student Fees.*

- (a) *A Relatively Large Proportion of Income drawn from tuition.* A simple statement, often recurring—with important implications.

- (b) *Discount of Probable Registration.*—"We were careful not to overestimate the amount to be derived from this source."—"The budget was drawn on a very conservative basis; the probable amount of income was purposely understated. It so happens that income has exceeded our expectations."

- (c) *Maintenance or Slight Increase of Student Fees.* "There has been no general reduction of our fees because they are very reasonable. There have been reductions in individual cases and some deferred payments."—"Tuition fees are very moderate but for that reason more certain to be paid." One college reports tuition raised by \$50 in 1930-31 followed by increased registration. (Five others are reported to have increased tuition within two years.)

- (d) *Collections.* These colleges operate on a just and liberal business basis. They expect an honest return for what they offer. They are wary of notetaking. They go into the matter methodically and report cooperation. "Even during the depression all the fees have been collected. Our students come from families who have little money but great faith in education which causes

them to sacrifice, often severely, to maintain their children in college."—"Our total uncollected bills for the last three years is less than one-fifth of one per cent. Some years we are able to collect 100 per cent."—"For several years we have been handling our student fees on a 'pay as you enter' plan. Before the boys register in the fall they must have settled their bill for the first half year for their college fees, including tuition and room-rent. At the beginning of the second term they are not allowed to continue unless a similar settlement has been made. To my mind, this is of absolute importance. It gives us cash in hand to operate on an economical basis and it also prevents worry and distress about collections."—"We have a well-organized and carefully followed plan in the collection of tuition and fees. While our students do not pay very much, they have paid what was required of them during the past four years. You may be surprised to know that at the end of each school year we carry less than \$100 in unpaid bills out of a total of about \$20,000 charged for tuition, fees, board and room." (The last statement is made by the president of a small college for Negroes.) Needy students are generally aided by scholarships.

- *10. *Maintenance of High Standards.* These colleges do not offer a "cheap" education. They present the opportunity for thorough and sincere training, for the development of the whole man or woman. They will scrimp and save but they *will not yield* to giving their students a poor product. They set themselves to this task with unflinching determination. Their testimony here speaks for itself. "High standards—morally, intellectually, socially—are the reasons for being of this college. The history of its development indicates adherence to these standards."—"We derive approximately 80 per cent of our income from student fees. An adequate enrolment, therefore, would explain in part our financial situation. How are we able to maintain the enrolment? The only answer I can give is that we endeavor from year to year to do our work better. . . . It is not in the sense of boasting that we say we believe our college has been able to maintain our enrolment by trying to be a good college."—"We have not been reticent about the high quality of the work done by the college—there is a fine spirit of loyalty running through the college and we have had more applications every year in all depart-

ments, except the Department of Dentistry, than we could comfortably fill."

- *11. *Maintenance of Enrolment.* Attendance at these colleges has not fallen off notably. Very often it has advanced. Alumni and friends are loyal in their support. In institutions where student fees are a large percentage of income, registration is highly important.³ Publicity is a strong ally. "There has been no personal campaigning for students, but bulletins and other literature have been sent to high school seniors. Our students have handed in hundreds of names of prospective students that they believe would make good here. The student body has been of real service in this respect. The president and other members of the faculty have had wide speaking contacts."—"More reliance is being placed on our alumni."—"The reasons for our very satisfactory financial position are due primarily to the fact that our student enrolment has held up to the figures of previous years, and there has been only a moderate drop in our endowment income."—"A fairly large proportion of income is from tuition and residence fees. Enrolment 1933-34 is 211, an increase of 5 over 1932-33 in the general enrolment; an increase of 20 in the freshman class."

12. *Limitation of Enrolment.* Paradoxical as it may appear, some institutions attribute their successful financing to the limitation of their enrolment. These colleges undertake to do a piece of work of a specific kind, with a specific number of students. "Another factor in our sound financial condition might lie in the fact that we have not seen fit to endeavor to expand our plant and capacity. We endeavor to do an excellent piece of educational work with a limited number of students." Some colleges are content with doing well what they attempt to do. One president says, "A limit of 400 resident students had a good deal to do with it."

13. *Scholarship and Loan Funds.* "We have been fortunate in these hard times to have a fair endowment for scholarship funds for needy students."—"Loans to students have consistently been by contract to pay without interest when the student begins to earn. Repayment has so far always been made, and such repayment constitutes a small but steady income to balance deferred tuition fees of the current year."—"We have \$955,537 endowment. About seven-eighths of this could be labeled 'General Endowment,' and about one-eighth, 'Scholarship Endowment.'"

³ A college with an enrolment of 2,059 students reports: "Of our total income about $\frac{2}{3}$ is directly from students and about $\frac{1}{3}$ from endowment and gifts."

14. *Low Cost of Living.* The colleges took advantage of the lowest prices for supplies known in their history. Even a depleted income would go a long way to meet necessary expenses. "We were, of course, able to purchase general supplies for the college at much less cost last year than ever before." (See also Item 7).
- #15. *Reorganization of Program of Study.* "Personally, I have economized in offering certain courses only in alternate years, and in avoiding duplication of courses." Reduction in the number of courses offered is defended as an educational reform as well as a financial gain.
16. *Elimination of Sabbatic Leaves.* More than one college has reluctantly ceased to grant the normal sabbatic leave due at this time and by omitting the salaries of substitutes has saved a considerable sum.
- #17. *Reduction of Wages.* Most of the colleges have not reduced salaries of any kind. A few report a reduction in compensation for service other than instruction, including administrative and office salaries, but chiefly the weekly pay of dormitory and campus help. The trustees, in one instance, refunded these "cuts" in July when the income of the year proved them to have been unnecessary, and they still have a surplus of \$8,000.
18. *Donations.* Friends of the colleges are sympathetic and generous. One says, "While there is little wealth in this locality, there is a large measure of general prosperity in a small way, and the college has many friends who assist by small donations of money and other gifts." Another, however, says: "Our income from endowment and gifts for the past two years was practically negligible." Many report gifts, especially for scholarship funds.
19. *Geographical Location.* "Colleges located in large cities have been especially favored in keeping full attendance. This is due, I think, to two reasons. First, the students living at home can usually find enough money to pay tuition in a local college. Second, many students who would otherwise leave the cities have been forced by economic conditions to stay there." This opinion is endorsed by several and is borne out by the enrolment, often the largest in the institutions' history.
- #20. *Generous Legacies during the past year.*
21. *The Unremunerated Service of the Religious.* The Catholic colleges report uniformly that the contribution of their devoted teachers continuing regardless of the vicissitudes in economic life is an important stabilizing force and a significant factor in the balanced budget. "The fundamental reason for our ability to balance our budget and have a small surplus must be sought, of

course, in the fact that so large a portion of our teaching and administrative work is done by Religious teachers."—"The manner of our management is mainly one of careful conservation and the contributed service of members of the Order."

22. *Church Offerings.* "Our receipts from our constituency were fairly constant. Few reductions in appropriations from the church board. Appropriations paid in full."
23. *Trust Endowments.* Contributions from funds held by Foundations which are entirely independent of the college but administer trusts for its benefit. "We receive 5 per cent of the ——— fund. We never know what that is going to be. It has ranged from \$50,000 to \$70,000 annually. This year we are expecting it to be considerably less than it has been for the past few years and have prepared our budget accordingly."—"The endowment funds of this institution are handled by a separate endowment board and we receive only the income each year."
- #24. *Guaranteed Pledges.* One college reports a local bank holds subscription notes and pledges for collection, and guarantees a stated income to the college on them.
- #25. *Good-will of the Public Administrative Boards.* One college states this has been a practical help. "The good-will of the city administrative boards (Park Boards, Water and Light, Public Works) makes it possible for us to obtain certain utility services free of charge."
- #26. *Salaries*—a negative reason—under normal. "Our salaries are not up to the maximum, but we hope to increase them just as soon as conditions will allow."
27. *Grit.* "Insistence on the part of the Administrative Group that *salaries should not be cut unless absolutely necessary.*"

The experience of these colleges seems to indicate that many of the old and tried principles of college administration are reliable. Of the points developed, these seem, at least, of particular importance: taking the community into the confidence of the administration, the idea of administrative reorganization on an economy basis, and the idea of treating incomes from fees on a realistic basis.

ENCOURAGING OUTLOOK

Among the reports made by these record colleges, some statements are so outstanding that we quote them for the encouragement of the Association:

The College closed its fiscal year on June 30, 1933, with a surplus of \$1,101.60. It has made no cuts in its salary scale and has not reduced the personnel of its faculty. In addition, we have continued to maintain our buildings and grounds at the same standard as obtained before the depression. The auditors in their report just completed point out that the investment portfolio of the College on June 30, 1933, had a market value only 8% less than its book value. This is a record of soundness and stability in which every friend and alumnus of the College can take genuine pride.

We finished the last fiscal year, 1932-1933, with a cash balance, we made no reduction in faculty salaries, and did not increase our indebtedness. In fact the matter is we decreased our indebtedness during the year. Also, we made certain additions to our faculty.

We ended the year as usual without debt or deficit. We made an addition of \$50,000 to our funds available for general purposes kept in reserve against a day when we may have to meet the hard times.

The college has now the largest enrolment in its history. This is due to the fact that we have gone quite beyond our anticipated enrolment. That is, we assumed there would be a five per cent decrease in upper classmen, sophomores, juniors and seniors, and admitted freshmen accordingly and then nearly all the upper classmen came back. Furthermore, we have this fall the best payment of bills that we have ever had. Out of one and a half million expected we have collected all but a sum less than \$3,000.

Our college completed its operations on current account for the fiscal year just ended with an increase in net worth applicable to college reserves of \$12,492.86. This figure does not include gifts for capital received during the year. No indebtedness was incurred. Salaries for instruction were not reduced. All payments for services other than for instruction were, however, reduced in an aggregate amount of approximately \$8,000. In June 1933, inasmuch as it appeared reasonably certain that our operations would exceed the expectation in our budget, one-half of the payments withheld under this reduction was refunded on July 1 to each individual affected. More recently, in view of the surplus of \$12,492.86 indicated above, the Trustees voted to return the other half of the 1932-33 reduction. This vote, you will note, will reduce the figure of \$12,492.86 by approximately \$4,000, leaving a net addition to the reserves of the college of approximately \$8,000 (with no salary cuts of any kind).

While the greatest care has been taken to keep down the operating expenses, the college has been most liberal in the

matter of financial aid to the students during this period of depression. You will note in the report of the Treasurer that in the college year 1932-33 a total sum of \$30,743.95 was expended for scholarships, loans and grants. I might add, also, that the 5% reduction in salaries which went into effect this year was in anticipation of a decreased enrolment.

We were unduly fortunate last year in our income from investments. We have about \$3,500,000 endowment, and in making out our budget for last year were able to draw up a balanced budget with some allowance for possible shrinkage in income from bonds and dividends. You will be interested to know that last July when we closed our books we found that the income from our endowed funds had exceeded the budget estimate. I presume this is a record.

We have entered upon the present year with a balanced budget, and have granted all the customary increases to members of the Faculty. In addition, we have added to our staff certain part-time men to ease the teaching load as well as to give employment. Our numbers have held up, and at the beginning of the term we received from the students more than one-half of the budget expectation from student fees, so it looks as if we should carry on without a deficit this year, provided nothing happens in the way of a frightful financial crash.

Slight reduction in our faculty personnel, because of the corresponding falling off in the number of students, effected a saving. This was accomplished, however, in such a way as not to embarrass those members who were not retained, most of whom were younger men on a part-time basis and some of whom we sent to other institutions under fellowships paid by us.

The college gives a discount of \$100.00 a year to sons of ministers, candidates for the ministry, and to sons of certain groups of teachers. We also have a limited Scholarship Fund which is awarded to students on the ground of need and of merit. The Remissions and Scholarships last year were as follows: (a) Remissions—\$17,434.14, (b) Scholarships—\$6,713.22.

From a number of colleges that did not quite meet the conditions for the "record fifty," we have received heartening statements of remarkable significance:

You will be glad to know that in spite of the fact that we closed our year, June 1, with a \$12,000 deficit we have been able through the summer not only to wipe out that deficit but to take care of all bills incurred during the summer months and we are starting in this month with the opening

of our fall semester with a clean bill of health so far as the deficits of the last fifteen months are concerned.

The Treasurer's Report shows a deficit of \$8,000. We have not, however, reduced salaries, and our student situation, both numerically and in particular quality, is most gratifying. Another rather remarkable thing is that three-fourths of our last year's graduating class, or one hundred fifty out of two hundred, are now placed either in business, industry, a profession, or in graduate work. This is because of the great efficiency of our Placement Bureau.

During the period of the depression our student attendance has increased approximately twenty-five per cent. The past two academic years, 1931-32 and 1932-33, we have emerged with a balance in the treasury amounting to approximately \$8,000.00 each year. Also during this same period we have improved our buildings and grounds more than at any time within the past fifteen years, and that improvement is progressing this summer, when we are spending some thousands of dollars in betterments. In 1931-32 the faculty and employees made contributions of ten per cent of their salary, and during the past year the contributions amounted to fifteen per cent. However, faculty salary standards have not been lowered. We still maintain the \$3,000.00 standard for professors.

Our invested funds, amounting to more than \$800,000.00, have during this period been kept absolutely intact. Thus we have not lost a dollar. This has been due to two factors: (1) The nature of our investments, which were entirely in first mortgages on local real estate; (2) At the very beginning of the depression, in 1930, foreseeing adverse conditions approaching, all our collaterals were reappraised, and loans were remade on a forty to fifty per cent basis. By rigid insistence that loans be reduced to these standards, we have been able to save the college, as well as those who have borrowed the college money.

We do not want to leave the wrong impression—we have had our struggles, and they have been desperate, and we are prepared to face more difficulties as the country emerges from this panic, but we propose to go right on living day by day and solving our problems as they come.

We closed the fiscal year without debt and with a small balance in the treasury. We also added \$117,226 to our endowment during the year. Our attendance of students, 1354, was by two the largest in our history. We are planning to launch a campaign next spring for two million dollars additional, of which \$900,000 will be for buildings and material equipment.

We have closed the year with a balance on the right side of the ledger though not a very large one. We have done so partly by a ten per cent reduction in the salaries and wages of all employees of the college, but there has been no additional levy beyond this. Not only did we not add to our indebtedness during the year but we decreased the moderate indebtedness which we have been carrying by \$15,000.

We have also made our normal increases each year to those who had not reached the maximum and those increases were added before the reduction was made. No reduction was taken on salaries of \$2000 or under. One feature was that the \$210.28 surplus at the close of the year 1932-1933 was distributed to the teaching members of the faculty on the basis of their reductions. If we had used up the modest balance on hand, we could have come through the year without any reduction in salaries, but it would have wiped out our modest balance and obliged us to start the year 1933-1934 with no balance in the current accounts. At the annual June meeting this June a budget was adopted for summer months only and the budget for the college year is held in abeyance until after the registration for the approaching college year is completed. We operated on the same plan last year with the full assurance on the part of our faculty that the salaries will be disturbed only to the extent that is absolutely necessary to keep the college free from indebtedness.

You ask how the institution was able to come through without a deficit.⁴ It is my impression that the answer is to be found in the appreciation which the public has of the university. Our university has an acknowledged high standard of scholarship and religious influence. We select the students, refusing many that do not have the qualifications required. We do not wish a large student enrolment. The result is that our enrolment keeps up and that we get a better type of students. Another element that contributes to our success is the inviolable requirement that students shall pay their tuition charges. We make no exceptions and when the due date comes, the student either pays or quits the classes. This may seem hard but it is a blessing, both to the student and to the school. He knows that he cannot dodge; he knows that the institution is fair. It all contributes to his respect for the school. Underlying all, however, the major reason, I still believe, is because we try to be a Christian institution. There is no apology or equivocation; because of that, there is a degree of respect and we can get money.

⁴ Salaries in 1932-33 were reduced \$12,000.—The President says—"I think these reductions would not have been necessary. We ran ahead of the year before in net income approximately \$10,000."

ARE TRUST COMPANIES TRUSTWORTHY?

ALFRED WILLIAMS ANTHONY

AN honored correspondent asks the following questions:

How have trust companies weathered the storm as compared with banks?
Are the head officers of banks also in many cases the head officers of trust companies?

Do the trust companies make the same sort of investments that banks make?

Is there any ground for believing that within the last few years trust companies have been more successful in holding and realizing dividends from funds than colleges have?

Is there any ground for believing that the moral standards of men who control trust companies are any higher than the moral standards of some of our distinguished bankers and other executives whose names are very well known to the public?

In a word, what real security do trust companies offer to colleges?

The gist of these questions was answered in the latest small volume published by the Committee on Financial and Fiduciary Matters, in April, 1933, "More and Better Wills," pp. 71-73. No man, perhaps, can give a last and final word on them; but every man connected with a college is interested in a fair and impartial appraisal and will be helped by an unprejudiced balancing of the pros and cons.

In the first place, banks and trust companies cannot be compared with each other as though they were distinct. Of the six forms in which our correspondent has put his question, the first three imply that banks and trust companies are quite different institutions. It is true that they originated for unlike purposes but they have each gradually taken on functions and powers of the other until at length they are practically indistinguishable save in name.

Banks at first were designed for and expected to serve two public uses, (1) as a place of deposit where funds could be safe and could be obtained by depositors, when called for, and (2) as a place of credit where borrowers could obtain loans for the conduct of business and other financial transactions. These two functions are entitled to the descriptive term of "Commercial Banking."

Trust companies, originating in comparatively recent years, offered themselves as corporations for the administration of estates and for the handling of funds which required detailed buying and selling for varying specified purposes, extending usually through a considerable period of time. A corporation for these purposes possesses many superior advantages over an individual.

Soon the trust companies began to receive deposits and to hold them subject to withdrawal by means of issued checks and also to make loans, even as the banks were doing. Then the banks began to offer their services for various financial and fiduciary purposes and finally the two groups of organizations became practically alike in functions. They both could do and began to do, the same things for their customers. The latest evidence of this approximation to identity is given by the banks, particularly in New York City, which in considerable numbers have begun to call themselves trust companies as well as banks.

Perhaps out of the experiences of recent years, by reason of the investigations carried on by Congress and because of better thinking done by the public, the original distinctions will be restored and banks which do a commercial banking business will be required to stick to commercial banking as sufficiently extensive and important to consume the entire attention and ability of one set of men, while the trust companies will be obliged to confine their services, perhaps exclusively, to those of a fiduciary character, for which they were originally created. Already Bar Associations all over the country are insisting that trust companies shall cease to practice law by offering to draw wills, write legal documents and make court appearances.

Of course, it will be just, and it may be expected, that trust companies will begin to insist that lawyers shall stick to the practice of law and that they, as lawyers, shall keep out of banking business and trust company functions. When professional services, on the basis of functions, are protected, each in its own domain, from incompetence and from competition by those who are not of the guild, men of each profession must recognize their own limitations and each must stick to his own distinct job.

If the banks become banks and nothing more, when the trust companies do a fiduciary business and only that; and when the lawyers practice law and keep within the limits of their practice,

why should not educational institutions, which have been organized for educational purposes first and in most instances exclusively, confine their attention solely to education?

Education is a large enough task, in its importance to human welfare, its diversification in many forms, and its application and relation to many people—managers, faculty, undergraduates and graduates—to call forth and consume all the wisdom and energy of a single group of men.

When the shoemaker "sticks to his last" it is possible to discover whether he is a good shoemaker.

The real questions which our correspondent has put are two: (1) Is the corporate fiduciary, whether called a trust company or a bank, more skilful than a college board in the handling of funds, investing and reinvesting, without loss of principal and with a fair maintenance of income? and (2) Are the persons who constitute a corporate fiduciary any more honest and reliable than those who constitute educational institutions?

As for an answer to either of these questions, with sole reference to the recent depression, sufficient time has not yet elapsed either (1) for all of the effects of the depression and all of the results of management, either good or bad, to appear, nor (2) for statistical evidence in either direction to be assembled, assimilated and interpreted. At present, being still in the midst of the depression, we "know but in part." It is idle to count names and to impound figures, but it is by no means idle to appeal to general experience and to note prevailing trends, even as it is possible to watch and treat a case of fever without the use of a clinical thermometer.

The question "Are trust companies trustworthy?" has been asked many times and has been answered both "Yes" and "No." They are and they are not. Like all things human they are composed of human beings with human frailties. Faults of commission and of omission must be expected. Faults are found also in colleges and universities, even in churches and other religious bodies, due at least to the human elements involved. Lack of wisdom, enslaving conservatism, or its opposite extreme, frantic speculation, and even moral perversity can be found at times and recently have been exposed often enough to cause one to fear lest all of the foundations of banks and financial institu-

tions, being human in character, are too weak for the load they carry.

But that common element in all mundane enterprises, even in the most sacred,—the element of human frailty—must be reckoned with, and guarded against. There are some colleges which have been managed no better than some banks. There are some religious organizations, the administration of which must at times cause the angels to weep in despair.

The real question, inclusive of all other relevant facts, is wherein lies the greater measure of safety for the handling of funds, (1) through banks, (2) in trust companies, (3) by the colleges themselves, or (4) by some other agency.

To this broad aspect of the inquiry it must be answered at once, whether it is in accordance with our theories or not, that not a few of the persons of greatest wealth in this country, have turned to the fourth expedient and have created their own charitable foundation, for the accomplishment of their charitable purposes, whatever these purposes may be. The Rockefellers, Carnegies, Harknesses and Rosenwalds have been followed by more than a hundred other persons, like minded, who have set up their own corporations, blending in one organization the two distinct functions of administering funds and distributing funds among charities. Whether this is a wise method of prompting public benefactions, from the point of view of economy and efficiency, through the long reaches of time, remains yet to be proven.

It is also patent to one who looks that many of the great universities, privately owned and richly endowed, like Harvard, Yale, Columbia and Princeton, have created within their own corporations, a staff of experts who perform the functions of a well equipped trust company. Not every college, however, can organize and maintain such a financial department of its own. The hundreds of smaller and medium sized colleges of our country are limited, some by their location, some by the character of their boards of managers, others by the small amount of funds which they handle, from setting up financial and fiduciary departments within their own corporations. Such institutions must, practically of necessity, turn to banks and trust companies for services, if not as custodians or trustees of funds, at least as

advisers and agents in important financial transactions. With such institutions these issues of economy, of efficiency, of trustworthiness and of integrity, are of vital concern.

Many of these educational institutions know, too, that there is an increasing number of would-be benefactors, who prefer to place their gifts, not directly in the hands of those institutions themselves, but rather in the hands of larger, stronger, detached bodies, the special qualifications and expertness of which are wholly in the technical field of finance. In all such cases the question of trustworthiness is all important.

Here then are the reasons, all of which I think are sound, for believing that the group, organized distinctly for financial service, will, in the course of the years, twenty-five, fifty or a century and more, average to be more efficient and more trustworthy than the college itself in handling college endowments and so-called "permanent" funds.

1. A high degree of expertness in the one special field of finance is possible and to be expected, more than in the double field of both finance and education.

2. Banks and trust companies are under special laws, state or national, either or both, and are subject to periodical inspections and examinations.

3. Officials of banks and trust companies, subject to serious penalties and liabilities for malfeasance or neglect, are kept in line with the rigor of their responsibilities as successfully as in any line of endeavor for frail human beings.

4. The public is more watchful of these financial institutions and officials, both individuals and groups, because of important personal interests which the public has at stake in them.

5. Their own integrity, built up through fidelity of service widely known and approved, becomes the greatest reputation and asset, through the years, of these financial institutions, and without integrity, which is the basis of trustworthiness, they cannot continue to function, so that at length their existence must become an evidence of their reliability and value.

Banks and trust companies are not yet perfect,—nor are any human institutions, not even colleges and universities—and we should have no disposition to condone their weaknesses or mistakes. At present, somewhat "under a cloud" because of the

experiences of recent years, they have some prejudices to overcome and some mistakes to rectify.

We may reasonably demand of them now change and improvement in at least these three particulars:—

1. They must make reports of their transactions, ample and clear, doing nothing under cover, unknown by their patrons or the public.

2. They must cease to buy of themselves as trustees of others' possessions. Their services should be limited to their trusteeships.

3. They must simplify costs so that their charges may be equitably apportioned to the services rendered.

According to Henry G. Badger's *Higher Education's Outlook*: "Institutions of higher education will have as a whole about 30 per cent less money available for educational and general and capital purposes in 1933-34 than they had in 1929-30. The median decrease for public universities and colleges will be 38 per cent; for private universities and colleges, 20 per cent; for teacher-training institutions, 32 per cent; and for junior colleges 25 per cent.

F. L. Pickett, State College, Washington, has a valuable contribution in *School and Society* on "The Trend of Enrolment and Relationship of American Institutions of Higher Education." This editor commends Mr. Pickett especially for his consistent classification of institutions into those "publicly controlled," "independent," and "related to various churches." Of course, in addition to this there are certain "private" institutions but they do not bulk very large in the total group of our institutions of higher education.

The Charles and Julia Henry Fund announces four fellowships for the use of American students this year. They will be tenable for one year at Oxford or Cambridge and will have the value of 500 pounds each. Applications from American candidates must be sent to the office of the secretary of Harvard University, Cambridge, Massachusetts, or the office of the secretary of Yale University, New Haven, Connecticut, by January 1, 1934.

THE TRUST AGREEMENT—HOW TO USE IT

ALFRED WILLIAMS ANTHONY

THE Trust Agreement (connected with The Uniform Trust for Public Uses) is a means of convenience, and not an act of compulsion, or coercion. Its primary purpose is to furnish an easy and a safe way of accomplishing certain charitable purposes for persons who wish to do certain charitable deeds.

It of itself does not provide the "wish to do," save as it may help by furnishing the ready means of doing. Sometimes a good road, plainly marked, will lead people to go to a place, which they previously had not thought of visiting. But ordinarily the wish to do, or "the will to do" must pre-exist or be brought into existence by special effort through the spread of information, or the push of personal solicitation. When information has been given and the stimulus of solicitation has been so skilfully imparted that the prospective donor desires to give, then the Trust Agreement, if at hand, if already in use, clearly understood, and ready to be employed, makes the way easy and safe for the culmination of the benevolent act contemplated.

Yesterday I ascended a hill over a dirt road of easy gradient protected from erosion by water-bars, or as they used to be called in New England, "thank you marms," and ditches. These water-bars across the road and these ditches by the side were in use and served their real purposes only "when the rains descended and the floods came." Then they protected the entire road from being washed away and perhaps from irreparable damage. So the principles embodied in The Uniform Trust for Public Uses and in the Trust Agreement are designed to safeguard and make secure the roadway for the passage of gifts, donations, bequests, and all manner of charitable trust agreements from being undermined, eroded, or destroyed by any showers or torrents of litigation, fraud or negligence. Protective devices prove their value and justify their use and all they may cost only in the time of need.

The Uniform Trust and the Trust Agreement, and similar related forms, do not create funds, nor assemble funds; they do not take the place of solicitation and effort; but they do furnish safe-

guards and provide easy means for the giving, the receiving, the administration and the distribution of funds, which are intended for the good of mankind.

There are three main cooperators in the use of the Trust Agreement and its allied forms, and a fourth which must not be forgotten. These are:

1. *The Donor, or the Testator*,—the person who by direct gift, or by writing into his will a bequest, makes a portion of his wealth available, in the immediate present, or later, for a college or other benefaction.

2. *A Trustee*,—who may be a person, but preferably should be a corporate trustee—a trust company or a bank with trust powers, for such a corporate trustee does not suffer the vicissitudes to which persons are subject, such as absence, sickness or other incapacity, or death, and are under direct state or federal control, one or both.

3. *The Beneficiary*,—the college or other beneficiary or charitable purpose.

The college may be its own trustee and frequently is; but if the funds are "permanent," or for endowment, with a long reach into the future, the college, which has been created for educational purposes, in many instances does not prove as efficient in financial and fiduciary matters as does the technically organized and incorporated institution whose specialty is in the fields of finance and trusts. Recent experience with "frozen assets," moratoriums, and failures,—though painful and menacing—yet through the long reach of centuries, or half-centuries, or any protracted period of time, do not negative the fact that usually the agency which specializes in a given field and is held to strict accountability in that field, is the safest and the most worthy of confidence.

This question, however, of which will average to be the more capable and the more productive of good through a long term of years, the college as its own trustee, or a corporate trustee acting for the college, will not be left optional with the college. Already a large and increasing number of people are deciding for themselves that they prefer to place trust funds for a college in the hands of a corporate trustee rather than directly in the custody of the college itself. Having determined in their minds

that only the income, at least for a term of years, and perhaps in varying proportions, shall be consumed, while the body of the funds (the corpus) shall be held intact, or even be allowed to grow by a part of its increment, or by skill in management, these people determine to place their gifts in the hands of the technical, incorporated, outside trustee, who shall at stated intervals, turn over to the college such and such amounts of income, and do, collaterally, such and such prescribed acts.

The Uniform Trust for Public Uses has been proposed, has been criticised and approved by many legal and administrative minds, and has been attested by experience as fitted to the purposes of persons who prefer corporate trustees other than the beneficiary.

The Trust Agreement, with all that is involved and implied, does not cost the college or other beneficiary, nor the donor or testator, anything—save the cost of making it known, as part of approved means of cooperation—but nothing for use.

The cost is borne wholly by the corporate trustee, which in turn receives its compensation for its services as trustee in its regular and legitimate fees, charges and commissions. The corporate trustee pays its fee once and once only for perpetual use of the trust instrument and the publicity and good-will which go with it. This charge seems slight; it is moderately variable according to the capital, including surplus, of the qualified corporate trustee.

The trust instrument must be copyrighted in order that it may remain unchanged and may retain its excellence and may continue to be understood. Mr. Daniel S. Remsen, author of many books and documents, used by lawyers and law-schools, is the creator of The Uniform Trust for Public Uses and has spent many years and no little money in its development and perfection. He holds it in trust himself as an instrument for public welfare.

The fourth cooperator in this league for the promotion of wise and safe public giving is the lawyer. He should be brought into consultation for the purpose of avoiding illegal specifications, or the use of accessory instruments or agencies which may obscure, or defeat intended purposes.

Now, specifically to answer questions which have been put by some college presidents as to how the president can make use of the Trust Agreement. One president has written:—"If the committee could suggest a special procedure for me to follow in this matter, I would greatly appreciate such assistance." Here is a special procedure:—

1. Become familiar with the documents and plans.
2. Explain, in conversation and correspondence, the documents and plans to certain interested individuals, or to individuals who have seemed indifferent to other plans, and may be waiting for this.
3. Meet singly, or in groups, in different cities, where the college has graduates and friends, (a) bankers and trust officials, and show them plainly how this plan may be beneficial to them as well as to you, and (b) persons of wealth or prospective donors, and explain to them this method as one which they may use if they wish, and how it may serve their purposes in ways which may not have occurred to them and may be precisely the ways for which they have been looking.

These three specific ways may lead to others and be productive of valuable results.

I would not have a college president give the impression that he regarded these, or any one set of methods, as the only way of serving his college. Probably, above all else, he should show that he is conversant with many excellent ways, that he does not intend to dictate to any one just how a worthy goal should be reached, but he does desire to accommodate the method to the prospective giver's preferences, while making the method employed both easy and safe.

A SPECIAL REPORT BY THE COMMISSION ON PERMANENT AND TRUST FUNDS

September 18, 1933

TO THE MEMBERS OF THE ASSOCIATION:

On May 29th our Commission addressed to the presidents of our member colleges a letter bearing upon that phase of our "Campaign of Perseverance" which deals with the creation of trusts and the use of The Uniform Trust for Public Uses in connection therewith. Although the purpose and value of this document to our colleges have been presented in meetings of the Association and considerable explanatory matter has been issued from time to time, there are still many college officials who do not fully understand its relation to their own financial problems.

We asked in our letter that each college check up the names of those cities of 100,000 population and over in which graduates and friends of the college reside in considerable numbers, indicating further the existence, if any, of an alumni club or association therein. Space was also provided for the names of additional cities. From our membership of 457 colleges, 335 responded.

The interest expressed indicates unmistakably that our colleges generally are alert to any properly balanced plan that is designed to secure for them financial assistance. Many of the replies contained names of banks and trust companies that they desire to have cooperate in their financial plans.

The tabulation now submitted gives the number of member colleges reporting that have graduates and especial friends residing in the cities listed, as well as the number of alumni clubs and associations. It appears that in the City of Baltimore, for instance, there are 175 of our member colleges which report graduates or known friends of these colleges resident there. This, in turn, means that the field for securing gifts in Baltimore equals at least the total of the graduates and friends of these 175 colleges. In each of the cities indicated in this tabulation there are trust institutions empowered to administer estates and trusts and this being their business from which they secure a legitimate fee, it

is natural that these institutions—and particularly at this time—should welcome new avenues and contacts for business.

Although gifts to colleges may not be of primary interest to these trust institutions, it is a well known fact that new or renewed contacts are of interest and value to them in the extension of their service.

At this point, one may well ask, "All of this is very true, but how can it affect our colleges?" It is the purpose of this report to furnish an answer.

(1) Colleges need assured funds for the future as well as for the present.

(2) Trust institutions need new and increased business for continued existence.

(3) Funds for colleges and increased business for trust institutions await the action of the graduates and friends of the colleges.

(4) This action can be stimulated by the college and the trust institution working in conjunction, and real results may be obtained because the average college graduate has an inherent as well as a cultivated desire to make financial gifts to his or her Alma Mater.

Our Association endorsed The Uniform Trust for Public Uses because it could, as does no other document in existence, promote ease of giving through the creation of trusts of all kinds.

Our Commission is of the opinion that the right use of this document can greatly accelerate the creation of gifts under trust for the benefit of our colleges, but action must come from the college working through its officers and key representatives in various parts of the country. This work, in connection with affiliated banks and trust companies, should result in substantial sums being received through these channels.

To the presidents of our member colleges who are interested but do not clearly understand the method of procedure recommended, we offer our services in furthering their desires in this respect.

Very sincerely,

F. L. JACKSON, *Chairman*

COMMISSION ON PERMANENT AND TRUST FUNDS

(Tables follow on pages 322 and 323)

DISTRIBUTION OF ALUMNI OF 335 COLLEGES IN CITIES OF
100,000 POPULATION

<i>City</i>	<i>Number of A. A. C. Member Colleges Represented</i>	<i>College Associations or Clubs</i>
Akron, Ohio	140	20
Albany, New York	108	26
Atlanta, Ga.	137	34
Baltimore, Md.	175	44
Birmingham, Ala.	122	27
Boston, Mass.	186	79
Bridgeport, Conn.	91	13
Buffalo, New York	154	58
Cambridge, Mass.	129	14
Camden, New Jersey	70	5
Canton, Ohio	75	14
Chattanooga, Tenn.	99	17
Chicago, Ill.	270	142
Cincinnati, Ohio	175	46
Cleveland, Ohio	220	81
Columbus, Ohio	155	34
Dallas, Texas	131	25
Dayton, Ohio	108	21
Denver, Colorado	201	35
Des Moines, Iowa	98	19
Detroit, Mich.	210	70
Duluth, Minn.	75	7
Elizabeth, N. J.	94	6
El Paso Texas	85	11
Erie, Penna.	100	15
Evansville, Ind.	59	5
Fall River, Mass.	58	8
Flint, Mich.	83	3
Fort Wayne, Ind.	85	11
Fort Worth, Tex.	99	13
Gary, Indiana	70	5
Grand Rapids, Mich.	89	13
Hartford, Conn.	118	32
Houston, Tex.	113	22
Indianapolis, Ind.	150	34
Jacksonville, Fla.	113	16
Jersey City, N. J.	101	9
Kansas City, Kans.	87	13
Kansas City, Mo.	151	36
Knoxville, Tenn.	97	9
Long Beach, Cal.	127	12
Los Angeles, Cal.	226	88
Louisville, Ky.	135	29
Lowell, Mass.	58	4

Lynn, Mass.	67	1
Memphis, Tenn.	111	20
Miami, Fla.	113	16
Milwaukee, Wis.	132	35
Minneapolis, Minn.	153	47
Nashville, Tenn.	118	17
Newark, N. J.	124	15
New Bedford, Mass.	51	4
New Haven, Conn.	136	23
New Orleans, La.	121	15
New York, N. Y.	278	144
Norfolk, Va.	97	9
Oakland, Cal.	120	12
Oklahoma City, Okla.	104	14
Omaha, Nebraska	116	17
Paterson, N. J.	77	4
Peoria, Ill.	74	6
Philadelphia, Pa.	213	81
Pittsburgh, Pa.	205	76
Portland, Ore.	133	27
Providence, R. I.	106	30
Reading, Pa.	69	6
Richmond, Va.	104	18
Rochester, N. Y.	135	34
St. Louis, Mo.	183	47
St. Paul, Minn.	124	28
Salt Lake City, Utah	79	11
San Antonio, Tex.	102	18
San Diego, Cal.	120	14
San Francisco, Cal.	179	45
Seranton, Pa.	78	13
Seattle, Wash.	161	30
Somerville, Mass.	50	—
South Bend, Ind.	82	9
Spokane, Wash.	98	14
Springfield, Mass.	97	27
Syracuse, N. Y.	119	23
Tacoma, Wash.	84	7
Tampa, Fla.	96	12
Toledo, Ohio	128	29
Trenton, N. J.	86	8
Tulsa, Okla.	122	15
Utica, N. Y.	79	9
Washington, D. C.	244	95
Wichita, Kan.	86	9
Wilmington, Del.	110	8
Worcester, Mass.	82	21
Yonkers, N. Y.	98	3
Youngstown, Ohio	105	19

RECORD OF ALUMNI FUNDS FOR 1931¹

IN examining the Alumni funds tabulated below, may we call attention that for the year 1931 there were

Institutions reporting	44
Total alumni	465,456
Contributors	88,312
Per cent of contributors18973
Total contributed	\$2,233,310.46
Average contribution per contributor	\$25.29
Average contribution per alumnus	\$4.80

Institution	Number of Alumni	Number of Contributors	Per cent of Contributors	Amount Contributed	Average Contribution
Amherst	5,794	2,768	48	36,231.54	13.09
*1923					
Baldwin-Wallace	3,500	193	5	1,082.80	5.61
*1930					
Bates	3,198	695	22	6,359.92	9.18
*1930					
Beloit	3,400	620	18	9,235.34	14.83
*1925					
Bowdoin	4,024	867	29	13,192.81	15.20
*1920					
Brooklyn Polytechnic	2,200	330	15	4,886.26	14.50
*1929					
Brown	9,500	1,345	14	40,330.39	29.98
*1915					
Bucknell	5,200	720	14	5,232.11	7.26
*1931					
Chicago	22,491	468	2	33,103.50	70.73
*1931					
Colgate	4,968	1,569	31	11,464.70	7.30
*1928					
Columbia	11,394	4,675	12	202,553.52	14.84
*1920					
Cornell College	5,400	251	4	1,170.00	4.66
*1928					
Cornell University	42,675	8,254	19	766,039.00	17.69
*1910					
Dartmouth	13,511	5,316	39	109,195.01	20.54
*1915					
Goucher	7,546	1,739	42	11,008.30	5.53
*1931					
Harvard	54,200	6,387	12	127,261.70	19.92
*1926					
Heidelberg	1,342	273	20	1,140.34	4.17
*1927					
Hobart	1,621	265	16	8,625.45	32.54
*1926					

* Year of inception.

¹ Reprinted from *The Alumni Magazine*, Washington and Lee University.

Institution	Number of Alumni	Per cent of Contributors	Number of Contributors	Amount Contributed	Average Contribution
Kenyon	2,400	645	27	6,527.00	10.12
*1930					
Knox	6,700	929	20	5,000.75	5.38
*1928					
Lafayette	6,000	432	8	7,695.00	17.85
*1926					
Lehigh	5,925	798	13	75,903.00	95.11
*1926					
MacMurray	3,100	212	7	1,811.95	8.55
*1926					
Marietta	2,307	191	8	7,488.00	39.10
*1924					
McGill	10,098	526	5	6,473.00	12.30
*1924					
Michigan State	6,752	1,336	20	4,936.40	3.69
*1931					
Mount Holyoke	8,761	3,758	42	32,497.83	8.64
*1925					
Northwestern	26,760	5,357	12	35,664.50	6.65
*1927					
North Dame	5,500	594	10	9,510.00	16.01
*1931					
Ohio Wesleyan	8,200	1,482	18	11,060.00	7.46
*1927					
Pembroke	1,800	800	42	4,000.00	5.00
*1931					
Pennsylvania	39,797	3,158	8	47,282.78	14.97
*1927					
Phillips-Andover Academy	8,702	1,781	20	22,274.87	12.51
*1921					
Radcliffe	6,863	2,675	39	19,692.02	7.35
*1929					
Rutgers	5,244	1,605	31	15,230.90	9.49
*1923					
Smith	16,986	4,463	26	80,450.76	18.02
*1928					
Stevens Institute	2,940	1,008	35	14,700.00	14.40
*1929					
Syracuse	18,000	2,231	12	40,000.00	17.92
*1931					
Tufts	3,267	334	10	11,563.00	34.61
*1926					
Vassar	8,611	2,591	30	98,369.18	37.96
*1926					
Wellesley	17,352	5,596	32	43,301.40	7.74
*1928					
Wesleyan	4,835	950	20	13,549.43	14.26
*1926					
Worcester Polytechnic	3,400	960	28	22,886.00	23.84
*1925					
Yale	33,192	7,165	21	207,331.00	28.93
*1891					

THE CHARLES WILLIAM ELIOT CENTENNIAL
Some Things He Said On Educational Finance

LUTHER E. WARREN
MOUNT UNION COLLEGE

THIS paper has one purpose, namely to cause educators to become interested in the fact that Charles William Eliot was born March 20, 1834, and that consequently the centennial of his birth should be remembered in 1934. The method used in attempting to build up that interest is to give some of Eliot's most significant sayings on finance as related to education.

One of his strongest beliefs was that people value that for which they pay. He stated this in a thought-provoking manner in a letter to President Folwell on March 9, 1870:

I beg to suggest that a low tuition fee—and still worse no tuition fee—is a very objectionable form of charity. The rich man's son gets it as well as the poor man's. Moreover people value what they pay for.

It is plain to one who has read any of Eliot's *Annual Reports* that he believed firmly that a president should make full reports of things of worth which were going forward in the institution. His reports were not large; they averaged between fifty and sixty pages. They were not padded. Every sentence counted. The thirty-nine of them make an educational treatise the value of which has never been surpassed. He knew that they were so nearly the essence of his life that when approached by publishers, who desired an autobiography, he said that his *Annual Reports* were his biography. He encouraged officers of other universities to publish reports, saying that they would be mutually helpful.

A letter to President Daniel Coyt Gilman, of Johns Hopkins University, April 13, 1887, illustrates:

I read carefully your report on the first ten years of the University . . . and was much impressed by the amount accomplished and by its original quality. You have reason to be highly content with the achievement. I miss a Treasurer's report. Do you not think that you would be more likely to get new endowments, if you now took up the practice of publishing a detailed Treasurer's statement?

After reading a financial report directed by Eliot, one is able to know facts about the detailed finance of Harvard. He aimed

at clearness in all reports, showing losses as well as gains, hiding nothing, thus building confidence.

He knew an astonishing number of facts about every part of Harvard University. He questioned everybody. He observed constantly. He received reports on everything, and compared these reports one with another. An interesting illustration of this is found in his *Annual Report* for 1889-1890, in which there is a report of a detailed study to determine the effect of the health service upon sickness among the students. It contains also a report of the cost of teaching each subject. Eliot had a great deal of cost-accounting done. Eliot knew. Yet figures kept their subordinate place with him as the following from a letter of January 12, 1911, to Henry S. Pritchett, President of Carnegie Foundation for the Advancement of Teaching, shows:

I hope we can have some talk about standardizing, and cost per student-hour. I think I see a dangerous tendency to extend to educational institutions a method of accounting which is appropriate only to industries conducted for a pecuniary profit, and whose capital is contributed in expectation of money interest or dividends.

Eliot said, in a letter to Starr J. Murphy, on October 25, 1901:

It is a fundamental principle with Harvard Corporation that the University does not borrow money.

As far as the author has been able to determine, that was an unbroken rule of Eliot's administration, and he said it in similar ways on various occasions. On the other hand he believed that a school should spend its income for teaching. In his *Annual Report* for 1870-'71 he pointed out that the Divinity School had cleared four thousand dollars, "a fact which suggests the possibility of appointing another resident professor within a few years." Part of a letter to President Gilman, written from Naples, April 13, 1887, is given:

If you showed that your whole probable income was pledged to salaries, scholarships, etc., collections and running expenses, and that you could no longer build out of income, would you not be more likely to have buildings given you? So long as the community sees that the Trustees can and do build out of income, so long, it seems to me, new endowment will be somewhat improbable. I know that it is necessary to do so at first—but is it not time to mortgage—so to speak—your whole income, as we do at Harvard? A man who can build a good house without touching his principal is sure to be counted rich. It is the same with an institution.

His papers contain much good material for those seeking guidance about buildings. He insisted on having the money be-

fore starting to spend. In a letter to Dr. Eugene H. Smith, July 6, 1908, he said:

When the contractors' bids come in, two questions will arise. First, has there been collusion among the several bidders, or have we got fair bids? Secondly, have we money enough to build the building as planned? The Corporation would hardly be willing to proceed with the building unless money enough is in sight to cover the contractors' charges, the architects' charges, and a leeway of five percent for contingencies.

He knew that new buildings increased maintenance costs, so demanded endowment for upkeep as well as money for construction, a policy many institutions have failed to follow. The following, part of a letter to W. C. Lane, Librarian at Harvard, on June 21, 1904, is evidence:

As regards the future of the library, I think it is important that you should understand the frame of mind of the present Corporation. There is no member of the Corporation who would vote to accept a gift of a new library building unless an endowment were also provided. If anybody should offer them a million dollars for a library building, they would refuse it unless the giver would permit the Corporation to erect a building of five hundred thousand dollars and keep the other five hundred thousand as endowment.

Equal pay for men and women is a much discussed subject. Much of what one hears and reads about it is superficial. Eliot said a great deal in a few words on the subject in a letter to Henry C. Wright, July 29, 1908.

I have not been able to see the wisdom of the "equal pay" scheme for men and women. The immense majority of women teachers do not make a profession of teaching. In the eastern end of Massachusetts the women on the average teach but little over three years. They are beginners like the assistants who are employed by good colleges at salaries ranging from two hundred and fifty to seven hundred and fifty dollars a year. These assistants are highly trained men. The women who really make a profession of teaching, and work up from the lower to the higher grades of city employment ought to be paid like the men who do the same thing, provided the experts in school supervision agree that they do equal work with the men of like training and personal history.

What a beclouded comment that letter would arouse if presented to our over-feminized National Education Association in 1934.

Any one who knows about Eliot knows that he raised vast sums of money for Harvard, and for many other purposes. His files contain many straightforward, personal appeals for money. An example of July 9, 1914, is given:

I venture to suggest that you maintain the needed Out-Patient Department at Shanghai for one year, namely, the academic year 1914-1915. The cost of its maintenance for one year is estimated at eight thousand dollars.

Eliot knew that not all money should be accepted. He rejected a great deal of it for many reasons. One example of his reason for doing this will suffice. It was sent to Edward B. Drew, one of the officers, along with Eliot, of the Harvard Medical School in China, on March 21, 1914.

Neither should I think it wise for us to accept money from drug manufacturing companies—any or all of them.

This paper ends as it started. March 20, 1934, is the centennial of Charles W. Eliot's birth. Let us remember it fittingly.

It is proper and necessary that in a democracy the state should build colleges, and support them liberally, but the matter of subsidizing state schools has been managed so unwisely that unless some change is made the time can already be foreseen when the state treasury will have to bear a much larger proportion of the growing cost of higher education. The colleges sustained by private gifts cannot indefinitely compete with the present system of state subsidies. The disappearance of these independent colleges, or any considerable number of them, would not only increase the burdens of the taxpayer but would be highly injurious to the cause of higher education. A democracy such as ours needs both types of public service in education. A free people will not readily run the risk of having only politically controlled institutions of higher learning when they understand what has happened to such schools in Russia, Italy and Germany, to say nothing of gross mismanagement in some of our own American states.—*F. W. Boatwright, President, University of Richmond.*

THE COLLEGE LIBRARY ADVISORY BOARD OF THE AMERICAN LIBRARY ASSOCIATION

DONALD B. GILCHRIST, *Chairman*
COLLEGE LIBRARY ADVISORY BOARD

IN 1931 the College Library Advisory Board was created by the Executive Board of the American Library Association. The Board's primary function was to prepare a program for, and guide, an information and advisory service for college libraries, at the Headquarters of the Association in Chicago.

In April, 1932, the College Library Advisory Board recommended to the Council of the A. L. A. the appointment of a permanent secretary for college library affairs, outlining in some detail the functions of such an officer, and defined the scope of its interests. The Council adopted these recommendations¹ and expressed the hope that within a reasonable time funds might be available for the activities proposed in the plan.

Pending the time when a secretary may be appointed, the College Library Advisory Board is interesting itself in problems common to college libraries, is seeking through inquiry and suggestion ways in which a central office may be of service, is calling on volunteers from time to time for studies and reports on matters of immediate moment, and is seeking to serve to some extent as a clearing house for aid and information which the present A. L. A. Headquarters staff is unable to supply.

As a specific illustration, frequent inquiries were made last fall regarding the prevalence of the practice among college libraries of collecting library service fees from students. These usually came from financially embarrassed libraries looking for new sources of revenue. There was no factual information available, and the C. L. A. B. enlisted the services of Headquarters and of Dr. William M. Randall, of Chicago, to gather information and analyze it for the benefit of the immediate and similar future inquirers.

In October, 1932, a survey was made of the service being rendered college libraries by the A. L. A. Headquarters staff. Inquiries currently being received relate principally to building

¹ *A. L. A. Bulletin*, volume 26, pages 327-28. May, 1932.

plans and costs, budgets, salary standards, and small matters of library administration. Their chief activities of especial interest to college libraries are the collection of statistics, the collection of plans and cost records for library buildings, and the publication of papers, pamphlets, and books. Many of the A. L. A. activities are of common interest to all libraries; for example, their work with the committees on annuities, cooperative cataloging, and various bibliographical projects.

The C. L. A. B. held its first meeting at Chicago in December, 1932, to discuss these and other matters.

A committee was appointed to attempt to simplify and unify statistical reports made by college libraries.

It was urged that college libraries receive more consideration in the free distribution of U. S. Government Documents for which charges are now required in many cases.

There was a general discussion of what publications are most needed by college libraries at the present time. The surveys by Works² and Randall,³ Gerould's⁴ book on college library buildings, the Shaw⁵ list, Headley's⁶ text-book for undergraduates, and Brown and Blousfield's⁷ book on circulation work, have recently amplified the professional shelf of the college librarian. The publication of a comprehensive manual on college library administration within the next few years by some one now active in college library work was recommended.

The subject, however, which received most attention was one on which relatively little has ever been written: *Effective relationships between college instruction and the use of the library*. There has grown up an increasing dependence on the library in college teaching, and many college teachers have found this "library method" an effective substitute or supplement to lecture, text-book, and recitation methods in recent years. This

² Works, G. A. *College and University Library Problems*. A. L. A., 1927.

³ Randall, William M. *The College Library*. A. L. A., 1932.

⁴ Gerould, James Thayer. *The College Library Building*. Scribners, 1932.

⁵ Shaw, Charles B. *List of Books for College Libraries*. A. L. A., 1931.

⁶ Headley, Leal A. *Making the Most of Books*. A. L. A., 1932.

⁷ Brown, Charles H., and Blousfield, H. G. *Circulation Work in College and University Libraries*. A. L. A., 1933.

movement has increased the usefulness of the library to undergraduates, has added to the library's obligations and its problems.

This expanding function of the library poses a series of problems for solution in the interests of effective teaching which are little discussed, often but slightly comprehended, and equally vital to the work of librarians and teachers in the colleges. Much study has already been given to integrating library work with classroom work in the high schools. A recent series of articles on directing study includes a thorough discussion of effective and ineffective library assignments by Maxie N. Woodring and Grace L. Aldrich, titled "The Library and the Study Programme."⁸

Other agencies are at the moment showing an interest in these problems as applied to colleges, particularly the A. L. A. Advisory Board for the Study of Special Projects, which has the matter on its agenda; and the American Association of University Professors has for two or three years been conducting studies in teaching efficiency at the college level. A recent report from the latter is particularly significant for its analysis of newer forms of study programs, and obliquely touches on the use of the library in these "experiments."⁹ The Association so far has not undertaken to study the professor's relation to the library as an instrument of instruction, but is considering the organization of a committee for such study, including methods and techniques which will open up to their students the literature of their subjects and their libraries. Close coordination of the work to be undertaken by these groups with any new studies undertaken by college librarians is to be hoped for.

A few comments on two or three completed studies may serve to show the value of similar studies as well as the advantage of continuing those already made.

An article by H. M. Wriston, "Objective Indices of Faculty Scholarship Obtainable through the Library" (Association of American Colleges, *Bulletin* 18: 176-185. 1932), attempts to

⁸ *Teachers' College Record*, May, 1933, pp. 678-690.

⁹ American Association of University Professors, *Bulletin*. V. 19, no. 5, sec. 2, May, 1933. "Report of the committee on college and university teaching."

show that faculty use of the library has a direct relation to faculty scholarship. The study by Wriston could be carried further and could also be applied to students' use of books.

A. C. Eurich, in an article in *School and Society* 36: 96, entitled, "The Significance of Library Reading among College Students," states:

The inference is clear. The students who use the library are more likely to succeed scholastically. Given two students of equal ability, then, the one who uses the library is likely to have a higher honor point ratio than the student who does not.

A similar conclusion is reached by Leon Carnovsky (*Library Quarterly* 3: 37-65. 1933).

Students use the library for a wide variety of reasons—principally assignments and recommendations by faculty. The objects of assignments have been given as follows (Yoakam):

- (a) To supplement or replace the text-book.
- (b) To give the students facility in finding information on a given topic.

A study reported in the *Journal of Applied Psychology* 16: 475-84 indicates that a senior's knowledge of how to use the library is not widely different from that of a freshman. "As we go from the freshman to the senior year . . . the knowledge of the use of the library plays a rather small part in the student's scholastic achievements." If this condition at Indiana and Ohio Universities is found to exist in other colleges the second purpose in the assignment of students' work in the library is not attained. There is some doubt whether similar findings would be obtained from all institutions.

Many different methods are used in the assignment to students of readings or subjects for investigation.¹⁰ Which of these methods are of most or least value? To what type of course is a given method best adapted? From the standpoint of publicity or promotion, how many faculty members understand the variety of methods which can be used for library assignments? How many are making "blind" assignments (so many hours a week) with no "follow up"?

¹⁰ Brown and Blousfield, Chapter VI.

If it is accepted as true that a wide range of reading is desirable, to what extent will faculty members encourage it? Professor Z. Chafee, Jr., of Harvard Law School, is quoted in the *Chicago Daily Tribune* for December 28, 1932, under the heading, "College Grads Ignorant," as stating:

'At present any allusion to science, literature, or history is sure to be meaningless to at least half the college graduates in the classroom. An occasional call for a show of hands has revealed only a scattered few who had read *Pickwick Papers*. . . .

'No law student, however, can afford to be wholly ignorant of economics, political science, psychology, the methods of the natural sciences, or English and American history. *A chief count in the indictment of college education is that it fails to develop a desire for reading books in fields outside of courses.* . . .

'Instead of requiring pre-legal courses a law school might prepare a list of recommended books in the fields previously described as essential.' Professor Chafee submitted a list of such books for progressive lawyers. . . .

How far do faculty members encourage extensive reading?

Following the discussions at Chicago, members of the faculties of the College of St. Catherine, the School of Library Service at Columbia, the Graduate Library School of the University of Chicago, and the University of California School of Librarianship were asked to consider and attempt to outline experimental studies on the place of the college library in undergraduate instruction, studies on the relation of reading to scholarship, and plans by which college teachers could be more widely interested in the effective use of the library as an aid to instruction.

The replies received from the library schools all emphasize certain central problems directed toward a better comprehension of effective coordination between library and classroom procedures in the development of student ability and knowledge. Studies were proposed of

1. Present practices and effective means of college library publicity.
2. Effective methods in stimulating faculty and student voluntary reading.
3. Publicity given to reference and bibliographical service.
4. Familiarizing librarians with the more important recent studies on reading abilities, sources from which stu-

- dents obtain books, reading interests, faculty scholarship, etc.
5. Studies of the types of library assignments and teaching procedures most suited to the varying objectives in college teaching.
 6. An authoritative treatise on assignments, similar to Yoakam's *Improvement of the Assignment*, but at the college level.
 7. A thoroughgoing investigation by some outside agency possessing prestige, of college teaching practice.

The author of this last proposal suggests that "such a study should help to eliminate slovenly procedures where they exist, emphasize the need for attention to teaching technique as well as to subject preparation on the part of those who intend to teach, and of employing institutions; result eventually in marked improvement of standards; and direct properly gauged attention to the possible contribution of books and libraries to the learning process at the college level."

In daily contacts with the conspicuous failures of some teachers to make sound programs of study, or to make sound programs effective, librarians are also conscious of their relative helplessness to do much about the efficiency of college teaching save by indirect means. Such studies as those suggested above, numbered 5 to 7, are not for librarians to undertake, but for those immediately concerned, the college teachers. One member of the Board put it squarely in remarking that hiring good teachers was the president's job, not the librarian's. But the matter seems to be one of degree rather than of kind, and one in which librarians, from the very nature of their relationships within the college, will continue to be sympathetically concerned.

Undoubtedly the increased use of libraries and books is consistent with one of the objectives of a college education which President E. H. Wilkins, of Oberlin, defines as "Training in the processes of the acquisition and use of knowledge."¹¹

If and when such studies are undertaken, college librarians can assist in collecting data on performance, which may serve toward correlating practice and accomplishment with principle and theory, and resolve some existing confusions. College libra-

¹¹ Wilkins, E. H. *The Changing College*. University of Chicago Press. 1927.

rians are hoping that studies will be undertaken within the teaching profession somewhat along the lines suggested by the above proposals, and will welcome the opportunity for understanding more thoroughly and contributing more adequately to the effectiveness of college teaching.

The chief aim of the College Library Advisory Board is to assist librarians in making their libraries more effective instruments in the education of college students and to increase their contributions to good instruction. To this end it will encourage, and may initiate, studies, publications and surveys, or devise other methods which promise results. It seems most important to the Board that college administrators and college teachers should more generally understand the values of an effective library in the college educational plan. Dean Works has said that in the past the college library has suffered from too much lip service; possibly it is still suffering from the same disease, inadequate realization of its potential power. Such an understanding the C. L. A. B. hopes to assist in attaining.

"To labor constantly for the world with no thought of self, to find indifference and opposition where you ought to have active assistance, to meet criticism with patience and the open attacks of ignorance without resentment, to plead with others for their own good, to follow sleepless nights with days of incessant toil, to strive continuously without ever attaining—this is to be a college president. But this is only half the truth. To be associated with ambitious youth and high-minded men, to live in an atmosphere charged with thoughts of the world's greatest thinkers, to dream of a golden age not in the past but in the future, to have the exalted privilege of striving to make that dream a reality, to build up great kingdoms of material conquest and make daily life richer and fuller, to spiritualize wealth and convert it into weal, to enrich personal character and elevate all human relationships, to leave the impress of one's life on a great and immortal institution—this, too, it is to be a college president."—*James H. Kirkland.*

COLLEGE STUDENTS' READING

PIERCE BUTLER

GRADUATE LIBRARY SCHOOL, THE UNIVERSITY OF CHICAGO

LIBRARIANS have always felt a great curiosity about the activities of the student reader. If one could know exactly how much the student reads, what he reads, why he reads, and what effect he derives from his reading, one would obtain a clear understanding of that phase of the library's educational function. But these are not matters which can be ascertained from the records of the school library alone. The student may use not only the books provided by the institution whose courses he follows, but also those of his home, his friends, his club, rental collections, and the free public library. Each of these possible sources must therefore be taken into account if the whole scope of his reading is to be appraised justly. Recent studies have revealed that the student does actually range wider in search of available copies of the books that he needs than perhaps most librarians have been aware. Miss Cobb, in her study of the reading done by students at the New York State Teachers' College, in Albany,¹ found that she must consider not only the use made of seven distinct libraries, but "other miscellaneous sources" as well, and this last item for students of English accounted for no less than 12 percent of all the books used. Dr. Carnovsky's records² show that of twenty-eight non-fiction books widely read by students in the University of Chicago, eight of the titles had not been acquired by the University at that time; here, again, there must have been a great deal of crossing scholastic borders in the search of books. And to the same effect is Professor Waples' investigation of a branch public library in the Bronx:³ of one thousand registered readers more than half (580) were students. Thus in the larger cities at least, it would

¹ Mary Elizabeth Cobb, *The Collateral Reference Function of the Teachers College Library as Affected by the Holdings of Other Local Libraries*, (Dissertation), Chicago, 1930.

² Leon Carnovsky, *The Reading Needs of Typical Student Groups*, (Dissertation), Chicago, 1932.

³ Douglas Waples, "Community Studies in Reading." *The Library Quarterly*, Vol. III, No. I, pp. 1-20, 1933.

seem that the service of the public library must be considered in any discussion of the reading activities of students in the local schools and colleges. The following notes on assigned student readings represent an attempt of one library worker to generalize and sum up his observations within this field in the course of fifteen years of service in a metropolitan reference library.

During this period (1916-1931) and in this institution (the Newberry Library, of Chicago) I watched each year several groups of students as they worked on the reading assigned to them by their various schools. These groups included pupils from grammar, high, normal, and junior college grades of both the public and parochial school systems, and undergraduates from two large universities, from several smaller colleges of the ordinary type, and from two special colleges which by afternoon and evening classes attracted a large enrolment of mature adults. I made no count and kept no records of what I saw. The following account, therefore, covers no formal study, but only such general observations as were inspired by a normal curiosity concerning what was going on and what was being accomplished in the institution of which I was a staff member. More than this my point of view was quite simply that of a librarian. I did not try to appraise the tasks, methods, or achievements of these student readers for their educational and social worth. I was more interested in their meaning for librarianship. My purpose was not to find out how well this reading was prescribed and performed and how much it contributed to the cultural growth of the individual or to his efficiency as a worker and a citizen. Those were the problems for the educator. Mine was to discover, so far as I could, what adjustments were required in the library to meet these demands, to gain an insight into the mental processes and methods of the reader as a reader, and to evaluate the effect on his attitude towards books and libraries which resulted from these enforced contacts with them.

Because our library was not officially connected with any school, it did not usually receive an advance announcement of the books which would be asked for by particular groups of the students who regularly read there. But it was never difficult to identify assigned student reading. Within a day or two after a teacher had given such a list to his class every reference assis-

tant had learned it almost by heart from the recurrence of titles on the call slips. Frequently these volumes were then brought together on a special shelf, but this was only to expedite the service not to reserve them. Ours was a non-circulating library. Even under normal conditions any of its books were available for use only within the building. Moreover as an independent organization we were under no obligation to acquire duplicate copies of a much used book at the request of any particular instructor. Indeed, our trustees forbade us to do so, but the effects of this policy will be mentioned in another connection.

To a library worker, whether he consciously finds names for the classification or not, required readings always separate into three distinct classes. The first of these we may call supplementary reading. This may be described in its most general form as a series of prescribed passages which expound the material of the class text or lecture. It is a technique of direct instruction. The required selections are usually from secondary works and definitely pedagogical in character. Therefore, the reading to be fully effective must be performed in a regular sequence. Consequently, the load placed upon the library is very heavy: throughout the school year many students are asking for the same book at exactly the same time. If the instructor cites a large number of volumes each one in the series may be in frantic demand for a short space and then be undisturbed for the rest of the year. All of us know what will happen in the neighboring reference library when on the fifteenth of March, in preparation for the next day's class exercise, a dozen teachers order several hundred pupils to read the account of St. Patrick in the Catholic *Encyclopedia*. Yet this is only an extreme case of what regularly happens in less violent form in connection with all prescribed supplementary reading.

What the teacher really does here is to create in effect an unpublished collection of excerpts which is comparable at every point with such printed volumes as the *Readings in Sociology* compiled by Wallis, or the *Mediaeval History* of Bemond and Monod. He may do this for various reasons: because none of the available books of this pattern is recent enough to contain the later literature of the subject, or because they all follow other

lines of development than the one he is using, or, it may be, because no such book of selections has ever been published. Any one of these may be a cogent reason but after all the final justification of this or of any other program of instruction which bears heavily on the library must be found through a balancing of library costs against the educational profit. Obviously, it is not within the librarian's province to pass judgment upon the latter item. That again is the educator's problem. But the librarian can, and he should, contribute to the discussion an exact statement of all of the factors of expense that arise on his side of the boundary. Since some of these were more conspicuous, perhaps, in our independent institution than they would be in an academic library, a somewhat detailed account of our experience here may not be altogether beside the point.

Our first duty was to the general public. An accurate definition of what is and what is not a legitimate function of the library was to us a matter of major importance. Were we bound to provide what were virtually free text-books to a particular group within our community? Our answer to this depended in part upon our reply to a second question, Who are genuine library readers? Do they include every person who performs the act of reading within the library building? Clearly not. The vagabond drowsing over a bound volume of *Punch*, the salesman copying addresses from a city directory, and the student intent on lecture notes or a text-book which he has brought in with him—not one of these is engaged in a truly library activity. But where is the line to be drawn? Suppose the reading room is overcrowded, legitimate readers stand at the door awaiting their chance to enter, so a student of the type just described is requested to do his studying elsewhere. Can he transform himself into a real library reader by the simple process of closing his own book and pulling down the library's copy of the same text from the shelf behind him? (I once saw this happen.) Obviously, the library's office is not easy to define when one looks at it from such a point of view. But it seems to be this: to provide in the community in so far as individual members will not provide these for themselves, such books as that community will normally require to maintain its social life on the highest practicable intellectual level. Apparently this general statement will

hold true whether the community in question is the whole heterogeneous population of a geographical area, or the student body of a particular school, homogeneous in age, information, language, and interests.

Now a demand for certain books which is arbitrarily created by a teacher's assignment of special readings to supplement his classroom instruction cannot be regarded as such a normal and communal requirement. It may be that a particular library will do well if it assumes the task of meeting this need also, but whether it does so or not this will remain a study-hall rather than a library activity. And if a library chooses to maintain such a service, it must not overlook the real cost and the patent implications of its action. To meet adequately sudden peak demands for particular books will involve the purchase of extra copies. Because our library refused to do this there were frequent service complaints, accusations of favoritism, and general irritation to both readers and attendants—a state of affairs in no way conducive to normal library activities on either side. To have used the money necessary for sufficient duplicates to meet the demand would have necessitated curtailments elsewhere in the book-budget. Moreover, we discovered that the annual turnover in a book stock for supplementary reading would run very high. For a number of years, in return for certain scholarships to its staff-members, our library undertook to have on its shelves a copy of each book on the required lists of one of the evening colleges. The courses here were well standardized, so we assumed, when the agreement was made, that after the initial investment our annual outlay would be small. It was not. Even under the same instructor and for a regular course the reading list was constantly changing. One year a group of expensive volumes would be added. The next year they would as suddenly disappear and be replaced by others. And yet a third item of cost was the expense of space and of service. The students in this group, as we had every reason to remember, could crowd the reading room and require a certain amount of attendance. Now for a library to be able to spare the space and the labor, as well as to buy the extra books, must carry an implication that it is either over-equipped or else remiss in the performance of its normal functions. In reality few libraries are either. What has usually happened is

this: librarians have taken on the additional and extraneous service of providing supplementary reading material not all at once but by a gradual process in which their enthusiasm for every activity involving books and readers has blurred their vision of its actual cost in overwork and lessened efficiency in their proper office.

The second kind of required readings, which every experienced librarian will recognize even though he may not be prepared to name it, we may call for our present discussion parallel reading. This is a technique of indirect instruction. Its purpose is to extend and elaborate the material given in the class text-books or lectures. Usually it is a prescribed series of passages in source materials, which may be, as in history, documentary data, or, as in philosophy, expositions by creative theorists. Thatcher and McNeil's *Source Book in Mediaeval History* or Rand's *Modern Classic Philosophers* are simple examples of the type. Here again the instructor creates through his list an unpublished volume of selections, and presumably for the same reasons as those that hold in the case of supplementary reading. But here the sequence in the reading performance is not so important, and usually for each topic there is a number of alternative procedures. Thus in every way parallel readings present fewer difficulties to the library than does the corresponding work prescribed under our first type. All of the students do not ask for the same book at the same moment. Generally the volumes they demand are more valuable as library material. Whereas text-books and elementary manuals are used only by formal students on the lower levels of their subject, historical records, literary monuments, and serious treatises are of more general significance. They are used in many connections. Moreover one who uses them in parallel reading is not always merely a routine pupil. In some degree he becomes an explorer and investigator. At times his interest must pass from the series of single books to their mutual relationships and this obviously is the beginning of true library phenomena. Just as in the point of cost the library's outlay here is not always a unique and isolated investment for a single purpose, so in the point of use there is usually a wider and more general function performed than that which appears in the explicit action.

Yet, as one attempts to ascertain the costs of parallel readings, one must not forget to take into account certain factors of adverse significance. One of these is the small proportion of the total number of the books which seem usually to come into actual use. When examined at the end of a term, the books provided in our library under the cooperative agreement repeatedly showed that many of them had never been opened. The stiffness of their hinges furnished unmistakable evidence. Apparently while the instructor had made provision for several possibilities of parallelism, the students had concentrated upon a few. Whether this was due to a preponderance of emphasis placed on certain of the authors in the classroom, or to other causes could not be determined from the library's data. Still another adverse element seemed to be indicated by the excessive wear shown by only a few pages in some of these volumes. This also inevitably aroused in the mind of the library observer a suspicion that though the teacher had intended to prescribe parallel reading, his students had abridged the program and used the technique of supplementary selections.

The third class of reading assignments may be called collateral. This is intended to enrich the student's acquisition through his independent study in the subject area. In supplying him with a list of topics and book titles the instructor does not seem to create an unpublished source book so much as to express his judgment of the more important subjects and the more useful literature for the student at this stage in his study. Probably no book of selections can be exclusively or even predominantly of this type. On the other hand, almost any section of such a bibliography as Paetow's *Guide to the Study of Mediaeval History* will be found to list collateral as well as parallel readings. From the librarian's point of view it is impossible to distinguish a student working in this way from any other legitimate reader. No special provision should be needed to meet his requirements. In so far as the library is equipped to furnish service normal to its community's needs, it will have the books that he asks for and the space and service so that he can use them. The only observable effect in the library of a teacher's assignment of collat-

eral reading to his class will be a stimulation of the daily attendance in normal readers.

The librarian's appraisal of the technique of required student reading will depend very largely upon the mental processes and habits of those who come into the library to do this work. These patterns of reading behavior are various but certain points stand out predominantly. The three types of reading we have attempted to distinguish form an ascending scale in their material and in their educational purpose. But the activity performed by the student is not always identical with the one intended by the instructor when he formulated the program. In the student body of any school class there usually seem to be some who work above or below the level prescribed as well as those who maintain it. No intelligent and ambitious student when he comes in contact with the literature of a subject will content himself with mere supplementary reading. Invariably he will push upward to parallel or even collateral studies. And on the other hand, a dull and lazy student or one who is seriously overworked, (which is practically the same thing), is quite certain to reduce collateral reading to parallel and parallel to a supplementary minimum. It is for this reason that all three types of reading must always be taken into account by librarianship. It will not suffice to find supplementary reading a low grade activity and to advocate its abolition from the library. Always, under working conditions, whenever any type of outside student reading is required a certain amount of it will be performed on the supplementary level.

A final matter to be considered by the librarian in connection with required readings is the attitude toward books and libraries which is induced in the student who passes through this experience. Here again the effect is not uniform and invariable. Certainly no student who has really performed a program of collateral reading, and probably few who have successfully passed through one in parallel reading, can fail to acquire a taste for this kind of study. Whenever this occurs, the task of the librarian will become lighter. But, according to my observation, there is an appreciable number in every class group who for one cause or another achieve much less than this, moreover these seem

to derive from their experience a definite distaste for library activities. This is often the case when the instructor's demands are unreasonably arduous, whether through their difficulty or their bulk, and again when his selections are too elementary and prolix. In the course of the years I have met a surprisingly large number of intelligent students who expressed the opinion that required reading is an overworked fad of the present generation of teachers. They seemed to regard it as a cumbersome process for achieving by vast trouble a very minor result. And only too often these persons were inclined to identify libraries generally with this technique of instruction which they so heartily condemned.

The opinions which have taken form in my mind as a result of these observations are possibly tinged by a personal bias. Certainly they represent a one-sided view. It is only with these limitations understood that I venture to express them. In brief they may be formulated in the following propositions: The technique of required reading may become very expensive and when unintelligently or thoughtlessly used, it is not without serious weakness in itself and grave danger in its effects. It must be carefully and realistically studied from more than one point of view. To appraise it merely for the worth of the material included is to see but a part of the problem. The load which it lays on the library should be weighed and its cost accurately determined. The expenditure of time and of energy that it demands of the student must also be kept within reasonable limits. In general, whenever this can be done, published collections should take the place of library assignments. An instructor should never thoughtlessly choose the latter process merely because it is a technique now in good repute. In most schools all the supplementary and probably much of the parallel readings might well be performed in special study halls distinct from the library and the cost of books and service charged to departmental accounts with the total expense forming an item in the general educational budget. Real collateral reading, however, because of its nature should continue to be a normal library function.

CITIZENS' COUNCILS

A LONG with the crisp days of autumn has come a renewed alertness and energy on the part of citizens which may be directed toward the consideration of local governmental problems. If you were among those who struggled against the odds of heat and vacations last summer in the effort to bring together the representatives of the organizations of your community to form a Citizens' Council for Constructive Economy, you are welcoming the season when civic leaders are once more at their home addresses and ready to do their part.

In many communities schools were unable to open last month on account of lack of funds; hasty slashing of budgets as a gesture in preparation for the fall elections has resulted in the curtailment and abandonment of services of government which socially-minded individuals have felt extremely deplorable and unwise; in some communities the suggestion of the possible necessity of defaulting on municipal bonds rears its ugly head. In many cities the budget for the new year is now in process of preparation. Now is the time for all good men—and women—to come to the aid of their communities.*

* Citizens' Councils for Constructive Economy or organizations which are doing the work of such councils are now in the following cities: Altadena and Los Angeles in California; Bridgeport and New Haven in Connecticut; Berwyn and Glen Ellyn, Illinois; Fort Wayne and Gary, Indiana; Des Moines and Waterloo, Iowa; Braintree, Lowell, Milton, Springfield, Massachusetts; Grand Rapids and Lansing, Michigan; Minneapolis, Minnesota; St. Louis, Missouri; Morristown, N. J.; New Paltz and Oswego, New York; Durham, North Carolina; Akron, Ashtabula, Cleveland, Dayton, Delaware and Youngstown, Ohio; Allentown, Bethlehem, Chester County, Johnstown, Lancaster and Norristown, Pennsylvania; Chattanooga, Tennessee; Staunton, Virginia; Rice Lake, Kenosha and Milwaukee, Wisconsin.

In the following cities individuals or groups are actively working toward the formation of Citizens' Councils: Pasadena and Santa Barbara, California; Denver, Colorado; Stratford, Connecticut; Washington, D. C.; Chicago, Mt. Vernon, Oak Park and Wilmette, Illinois; Bangor, Maine; Boston, Massachusetts; Bayonne, Camden, Ridgewood and Westfield, New Jersey; Clovis, New Mexico; Fonda and Mamaroneck, New York; East Cleveland, Ohio; Tulsa, Oklahoma; Portland, Oregon; Altoona, Harrisburg, Hazleton and Philadelphia, Pennsylvania; Dallas, Texas; and Seattle, Washington.

If you live in one of these communities and wish to cooperate, write to the Committee on Citizens' Councils for Constructive Economy, 309 East 34th Street, New York City, for the names of those in your community who are interested.

In the states of Pennsylvania, Ohio, Illinois, Massachusetts, Connecticut, Washington, New York and Arkansas, there are experts in local government interested in the establishment of Citizens' Councils who may be able to help you in the work of organization and whose names may be obtained from the Central Committee. That is, if you feel that you need the help of an outsider to bring together the representatives of the various groups in your community and consult with you on local problems.

The radio series, "Constructive Economy in Government," which attracted a large and interested audience during the summer months and which was presented in connection with the Citizens' Councils program, has been followed by a new series of weekly radio talks with the general subject of "The Crisis in Municipal Finance." These addresses will stress the work of Citizens' Councils and emphasize the importance of citizens paying their taxes in order that essential social and cultural services of local government may be continued. The "Tax Striker" has become a real menace to the continuance of governmental services in many sections of the country.

One day of the National Conference on Government held annually for the past forty years under the auspices of the National Municipal League, which will meet at Atlantic City, November 9, 10 and 11, will be devoted to a national conference of Citizens' Councils. Representatives of Citizens' Councils will be brought together from all over the United States to discuss their own problems first-hand. The Citizens' Council as a means for enabling citizens to work for economy in a constructive manner—that is, eliminating waste and inefficiency while safeguarding those services of government which have come to be regarded as essential to the welfare of the community—is proving itself effective. If your city does not have a Council, why not?

THE NEXT CENTURY OF HIGHER EDUCATION IN THE SOUTH

HARVEY W. COX

PRESIDENT OF EMORY UNIVERSITY

I AM sure that I speak for all the denominational institutions of Georgia and South when I felicitate you, the trustees, faculty members and friends of Mercer University on this the one-hundredth anniversary of achievement and service in the field of learning. It is not necessary for me to go into details concerning the service rendered by this splendid institution. Others have and will do that better than I can. I do want to say, however, that Georgia, America, and the whole world are vastly richer because of Mercer University.

I have been asked to look one hundred years into the future and tell you what will take place in the field of higher education here in Georgia. Since I do not belong to the school of the prophets, let me tell you what I hope for rather than what I foresee.

In the first place, let me hope for Mercer University another century—yes, many more centuries—of usefulness in the service of God and man. May the past century of accomplishment, valuable as it has been, be a mere introduction to what she will achieve during the next hundred years.

My second hope is that our colleges and universities may be successful in helping to meet the needs of the oncoming generations.

During the past century education placed much emphasis upon the need of earning a livelihood. Of course, this need will continue to demand our attention; but there are other needs that are challenging us more and more, and it is my hope that we may not fail to meet this challenge.

Until recently the long hours of labor left us little time for anything else save eating and sleeping. With our modern automatic machinery, all this has changed, and our leisure has so greatly increased that it must be given a most important place in our future educational program. I believe that one of the greatest dangers the future will have to face is the lack of edu-

education for our leisure time. When we had but two or three idle hours during the day, rest and simple amusements seemed to be sufficient to take care of the leisure time. But as the leisure time stretches to six, eight and ten hours a day, the problem becomes vastly different. If we do not educate the oncoming generations so that they may properly use their leisure hours, they may become a curse instead of a blessing. The happiness of the individual, as well as the welfare of the nation, depends in no small measure upon the way our institutions of learning meet this new educational challenge.

Eleven years ago President Burton, of the University of Chicago, said: "This world of ours is rapidly becoming democratic. Whatever the ultimate form of human society may be—certainly the current is today running strongly toward democracy." Only eleven years have passed since that statement was made. Eleven years of storm and stress, of hope and fear, of craze and panic, of wealth and poverty. Today the current seems to be running in any direction save toward democracy. Even in this country of ours, one will have to admit that there are many strong currents counter to the democratic current.

During the past century we taught our students how to cope successfully with nature, how to transmute our crude natural resources into fluid, usable wealth. Along with this conquest there developed an ability and a desire to accumulate wealth. This finally became a consuming, national passion, ending in the inevitable crash of 1929. Three years of futile, hopeless groping has caused us to lose faith in our political leadership as well as our business and financial leadership. We have learned how to despoil nature of her vast stores of wealth; but we have not learned what to do with it when we succeeded in getting it. Wealth accumulation has become more simple than just and equitable distribution. We have learned how to live with nature far better than we have learned how to live with each other.

During the past century we directed our education and energies toward the subduing and development of our material resources. During the next century we must concentrate our efforts and education upon the development of our spiritual resources. Man at his best must be the goal of our future educational planning, and our colleges and universities must provide the trained leadership for this new program.

In our struggle with nature for her vast stores of raw material waiting for the magic touch of man's transforming hand, we have developed a sturdy, independent individualism. Individual initiative was encouraged and rewarded because it was essential in our struggle to conquer nature. Competition was no handicap then, because there were always new fields to conquer. Man was permitted, even encouraged, to take as much as possible from nature without much consideration for his neighbor; since his neighbor was doing the same thing.

As a result of this process of education and training, individualistic competition has become the economic and political slogan which we have been following. I believe that the economic and political turmoil we are in today is the result of our selfish, individualistic policy in the accumulation of wealth. If we would find our way out of this slough of despond we must learn how to use the wealth we accumulate so that it will yield the highest returns in universal happiness. This reversal of national thought and policy can be brought about only by a leadership educated to direct individual initiative toward the welfare of the social group.

From the very beginning as a colony, Georgia has depended mainly upon agriculture for its existence. Its population has been fairly homogeneous in habits, customs and thought. Its educational program, as well as its political organization, has been largely dominated by the ideals of rural life. Today Georgia is rapidly becoming an industrial state, and we will soon have a vast heterogeneous urban population. Old traditions, customs and laws will not be adequate to meet these new conditions. Already we are beginning to realize the need of a new type of social organization to meet the new times. Our colleges and universities must assume the responsibility of preparing a trained leadership to meet these new demands if we would not continue to flounder in a quagmire of political blundering and futility.

In meeting the educational needs of the future, I am sure that we must continue to depend largely upon a state educational system. But there always will be a definite need for the denominational institutions if we are to continue to have a safe and sane educational system to provide the necessary leadership

for the future of our state. A state educational system is always in danger of being interfered with and dominated by political factions, as has been so disastrously demonstrated in several of our sister states in the recent past. To offset this danger, Georgia should have some strong denominational schools. To have such schools strong enough to play a useful part in the educational future of our state they must be very limited in number so that they can have adequate financial support. I see no reason why there could not be a unification of all our church schools into two or three outstanding institutions whose influence for good would be powerfully felt. If such a program were to be carried out, I would say that Mercer's one hundred years of success in the field of education would entitle her to be the center of one of these institutions.

In conclusion, let me say that we need also the denominational institutions to provide a well trained leadership for our churches, men who will lead us out into greater fields of service and maintain the highest standards of Christian thought and life. May Mercer University ever be outstanding in this great field of service.

THE EDUCATIONAL VALUE OF EXAMINATIONS

There is a third function of examinations, where the main object is neither discipline nor measurement, but education; and that aspect of the matter has not hitherto been much discussed. I hope I may be pardoned if I draw illustrations from things under my own observation where I can speak with personal knowledge. In the middle of the first year of the Harvard Law School there are examinations offered to those who choose to take them. Their object is clearly not at all discipline, for they are voluntary; they are not used for measurement on behalf of the School for the results do not count toward marks in the courses, and except in the matter of student aid no effect is given to them. They are offered that the student himself may know how he is doing and improve his own work thereby. Hence their object is almost wholly educational. Let me give another example, that of the discussion of cases in that School, according to the method of Langdell. These are not formal examinations, and yet they

partake of their character. When I was in the Law School, out of a class of about 40 men, some eight or ten who wanted to do so took part in the discussions every day. They tried to expound the problems presented by the cases, and did so in a highly competitive spirit. They were, in effect, being examined, or examining themselves, before the class. Now the object of this was certainly not disciplinary, nor, except in the sense of rivalry, was it measurement, for of course no record of it was ever kept; and so far as it may be called examination, its effect was purely educational. The same thing is true, in a lesser degree, of all themes, reports, and problems to be written or done, where no doubt discipline and measurement enter, but the primary intent is education—that is, training in the acquisition and use of knowledge. . . .

Some wise man has remarked that no one knows a subject in an intellectual way unless he can talk or write about it—that is, can express his ideas upon it. For to express oneself involves arranging one's thoughts in order, formulating, and thus clarifying them—a very different thing from answering Yes or No to a series of questions formulated by the examiner.

The great art in life lies less in solving problems than in discovering the problems to be solved, and to that an examination may, in part at least, direct attention. . . .

The end sought by education is enlarging and refining the mind of the student, inducing keen perception, correct reasoning, and above all an appetite for knowledge and thought for their own sake which will not vanish, but once acquired is well-nigh insatiate, unquenchable, and capable of being turned in many directions. Examinations consciously treated as a part of the educational process are more likely to promote that purpose.—*A. Lawrence Lowell in the Technology Review, July, 1933.*
